

MEMORANDUM TO FILE

To: File S7-41-04

From: Elizabeth Sandoe

Date: July 5, 2005

Re: Proposed Amendments to Regulation M
Investment Company Institute Closed End Fund Committee

On April 6, 2005, members of the Division of Market Regulation, Office of Economic Analysis, and Division of Investment Management met with the Investment Company Institute's Closed End Fund Committee. Committee members reiterated the issues discussed in their comment letters regarding the proposed elimination of penalty bids.