

Jonathan M. Kopsik  
JKopsik@stradley.com  
215.564.8099

February 28, 2008

**Via Email**

Nancy M. Morris  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C.

**Re: Enhanced Disclosure and New Prospectus Delivery Option for  
Registered Open-End Management Investment Companies  
Release Nos. 33-8861/IC-28064 (the "Release")  
File No. S7-28-07**

Dear Ms. Morris:

We are highly supportive of the efforts of the U.S. Securities and Exchange Commission (the "Commission") to streamline mutual fund prospectus disclosure and modernize prospectus delivery obligations.

We appreciate the opportunity to comment on the proposal to amend Form N-1A to require the statutory prospectus (the "Statutory Prospectus") of every mutual fund to include a summary section consisting of key information presented in plain English in a standardized order, and to amend Rule 498 under the Securities Act of 1933 (the "1933 Act") to permit the sending of a summary prospectus (the "Summary Prospectus") to satisfy a fund's prospectus delivery obligations under the 1933 Act. Our comments are based on our experience representing mutual funds and their advisers, although the comments are solely our own and are not intended to express the views of our clients.

In the comments below, we respond to the Commission's request for comment on several aspects of the Release.

***A. Portfolio Holdings Information***

As described in the Release, a fund's Statutory and Summary Prospectuses would be required to include a list of the 10 largest holdings in the fund's portfolio, in descending

order, together with the percentage of net assets represented by each holding. For several reasons, we submit that the portfolio holdings information should not be required in the Statutory and Summary Prospectuses. First, requiring mutual funds to include portfolio holdings information in prospectuses would detract from the core information an investor should know about a fund prior to investing, such as its investment objective(s), strategies and expenses. If a prospectus excluded this core information, it clearly would be materially misleading to fund investors. Including portfolio holdings information taken from a particular date, however, is not necessarily indicative of how a fund's assets will be managed over the long-term and, therefore, not the type of material information that a prospective investor needs to know prior to investing. Rather, portfolio holdings information is more similar to marketing material, and should not become subject to 1933 Act liability. Moreover, a fund's top 10 portfolio holdings information may change frequently and could become out-of-date as soon as the fund prints its Statutory or Summary Prospectuses. After almost 70 years of operating mutual funds pursuant to the requirements of the Investment Company Act of 1940, there is no evidence to suggest that investors have been misled by offering materials that do not disclose a fund's top 10 portfolio holdings.

Second, most mutual fund companies provide top 10 portfolio holdings information on their websites (typically current as of the last month-end) and, if they do not, such information is readily accessible on the Commission's website in the fund's filings on Forms N-Q and N-CSR. Moreover, implicit in the layered disclosure approach proposed by the Release is an acknowledgement by the Commission that many investors are computer literate and, therefore, are capable of locating this information on either a fund's or the SEC's website.

Finally, the Release proposes that portfolio holdings information included in the Summary Prospectus should be updated on a quarterly basis. As discussed below, this requirement would place additional burdens on mutual funds to maintain current and accurate disclosure documents. For these reasons, we suggest that a fund's top 10 holdings should not be required in the Statutory and Summary Prospectuses.

***B. Quarterly Updates of Summary Prospectuses***

With respect to Summary Prospectuses, the Release also proposes that a mutual fund update its average annual total return, yield and top 10 portfolio holdings information on a calendar quarter basis. As previously stated, we submit that the portfolio holdings information should not be required in the Statutory and Summary Prospectuses; therefore, removing the need for quarterly updates when that information is not provided. To the extent that an investor is interested in portfolio holdings information, more current and more accurate portfolio holdings information is readily available on a fund's website than would be included in a Summary Prospectus that would be updated quarterly or in a Statutory Prospectus. Additionally, we suggest that including only calendar year-based performance information would not affect the usefulness of a Summary Prospectus. Again, if a prospective investor desires to review more current performance information than would be included in a Summary Prospectus, he or she could typically find that information on a fund's website.

Moreover, maintaining a Summary Prospectus that contains quarterly updated performance and top 10 portfolio holdings information could confuse investors because the performance and top 10 portfolio holdings information contained in the Summary Prospectus would not be entirely consistent with the Statutory Prospectus.

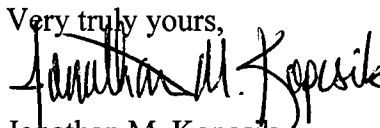
The quarterly updating requirement would also impose additional administrative and compliance burdens on mutual funds as they would be required to ensure that another set of disclosure documents is materially accurate. For example, a large fund complex that offers 30 funds would have to maintain 30 separate Summary Prospectuses that would have to be amended, collectively, 120 times over the course of a year. Even in this age of computers, revising prospectus disclosure involves much more than making a few keystrokes. Rather, funds would have to use additional resources, both human and otherwise, to establish mechanisms to update the Summary Prospectuses and to ensure compliance with the quarterly updating requirement. Consequently, we do not believe that a fund's Summary Prospectus should be updated quarterly to include more current performance information.

**C. *Multiple Fund Summary Prospectuses***

Pursuant to the Release, a mutual fund complex would not be permitted to integrate information for more than one fund into a particular Summary Prospectus. We believe fund complexes should have the discretion to decide whether to integrate multiple funds into a Summary Prospectus as long as doing so would not be misleading. For example, a fund complex may offer large-, mid-, and small-capitalization index funds. The investment objective for each fund would typically be long-term capital appreciation and the investment strategies would be similar, *e.g.*, using a sampling approach to track the applicable index. The differences in such funds (*i.e.*, their investments in stocks of varying capitalizations) could easily be explained in a Summary Prospectus without complicating the investment strategies and risks disclosure or exceeding the page limits contemplated by the Release. Therefore, we submit that integrating multiple funds into a Summary Prospectus is practical and would not be inconsistent with the goals of the Release.

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Again, we appreciate the opportunity to comment on the Release.

Very truly yours,  
  
Jonathan M. Kopcsik