

MUTUAL INVESTMENT FUND INC.
120 WALL STREET
NEW YORK 5, NEW YORK

Noted

EUGENE J. HABAS
President

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November 1, 1963

Honorable Oren Harris, M. C.
Chairman, House Interstate & Foreign Commerce Committee
U. S. House of Representatives
Washington 25, D. C.

Re: H. R. 8499 ✓

Dear Congressman Harris:

Our understanding is that this bill would permit banks throughout the country to enter the mutual fund business exempt from Federal statutes for the protection of investors, under which mutual funds now function.

We want to register with you, the strongest possible opposition to any such development. Our opposition is not based upon the possibility that established mutual funds would face increased competition were banks to enter the mutual fund field. Competition is a necessary and desirable force in our economic and financial system.

However, where the "rules of the game" are rigid, as is true for mutual funds functioning under the various applicable Federal statutes, it would be patently unfair for Congress to permit additional entrants into the field, exempt from the same rules.

Further, and finally, we believe that the interests of public investors would not be served were banks permitted to create mutual funds that could function without the full disclosure requirements of existing Federal legislation.

Very truly yours,

E. J. Habas

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