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Investment Company Institute
61 Broadway, New York 6, N. Y.
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TO: BOARD OF GOVERNORS - NO. 16 - 1966

RE: SHANAHAN ARTICLES IN THE NEW YORK TIMES

Chairman Cohen telephoned me today to say that, despite the statements in the above articles that seemed to be based on the text of the forthcoming SEC Report to Congress on mutual funds, the fact is that this Report has not been completed, and its findings and recommendations have not been determined by the SEC Commissioners. Consequently, Miss Shanahan's statements could not have been based on a "preview" of the Report - since the Report does not exist.

As you know, the Chairman has promised to talk with representatives of the industry when the Report is complete. I am personally sure that Miss Shanahan's articles are not the result of a "calculated leak" by the Commission, although there is every reason to assume that, over the past year or so, she has talked with former and perhaps present staff members.

It is the Institute's present intention to make no public comment on the Shanahan articles.

DORSEY RICHARDSON

DR:jg
Dated: May 17, 1966