

## 2005 Trustees Of The Year

### OPPENHEIMER, EATON VANCE DIRECTORS AMONG NOMINEES

The 2005 Trustee of The Year nominations are in. Directors from Eaton Vance Funds, Evergreen Funds, First American Funds and OppenheimerFunds have been named finalists. Trustees representing smaller groups come from the Aquila Family of Funds, Clipper Fund, Old Mutual Advisors Funds, SunAmerica Funds and Wilshire Funds.

Please turn to page 4 for a full list of nominees.



## Regulatory Review/Preview

### DIRECTORS GET COMFORTABLE WITH NEW REGULATIONS



In 2005, boards spent most of their time getting used to increased roles and additional responsibilities that resulted from post-scandal regulation. While the major overhaul in fund governance took place the previous year, directors now had to deal with the increased workload that followed. Many boards began appointing independent chairs and altering the structure of the board to have 75% independent

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## HOW BOARDS WORK

### AIM BOARD GOES PAPERLESS

At its board meeting this month, the board of the *AIM Funds* will be using on-line board books instead of paper ones. "It makes a lot of sense for about 1000 reasons," said Bruce Crockett, independent chair. A main reason behind the switch is that the board books have gotten so thick and voluminous. "Everyone is getting a hernia logging them around," Crockett joked.

With hard copy books, directors don't get them until a couple of weeks before the meeting, but now the documents will be posted as they are ready. The switch is also saving AIM an incredible amount of time and money, Crockett added. At a recent meeting for the investment committee, which all the independent directors sit on, they had a chance to try out the system and at this month's meeting it will be used for the entire meeting.

Still, with the average age of the board in the 60s, not everyone is totally computer conversant and some are intimidated. The board will "leave no director behind," Crockett said. The directors are being trained the system. Crockett thinks more directors will come around. "Over the next year or so, even the people who are relatively hung up on paper will see the way," he said. Any new directors on the AIM board are going to have to be computer literate or be able to get there

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## AIM BOARD

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pretty quickly, Crockett noted.

All of the directors had the opportunity to get a new computer from AIM, though not everyone chose to. The board's move has actually prompted the management company to put wireless access on the floor where the board meetings are held so directors can move from room to room for committee meetings. Previously there was concern over security involving wireless networks. "We're helping drag them into the next century as well," Crockett said.



Bruce Crockett

## Bulletin Board

### IXIS Board Appoints Moose Independent Chair



Sandra Moose

Sandra Moose has been elected chair of the IXIS Advisor Funds and Loomis Sayles Funds board. The board had a management chair up until a year-and-a-half ago and then had a rotation of independent directors for the position. Moose is now the singular chair. Moose has been on the funds' board since 1982 and is a member of the audit

committee. She is a senior advisor with the Boston Consulting Group and is also a director of Verizon Communications, Rohm and Haas Co. and AES Corp. Moose earned a BA from Wheaton College and a PhD and MA from Harvard University. The board, which has 10 independent trustees and two interested trustees, oversees 38 portfolios in the complex.

## Calendar

- Jan. 11: Independent Directors Council Phoenix Chapter Meeting (202-326-8300)
- Feb. 7: IDC Palm Beach Chapter Meeting (202-326-8300)
- Feb. 15-16: Mutual Fund Director Forum's Sixth Annual Policy Conference: Critical Issues for Investment Company Directors at the Four Seasons Hotel in Washington, D.C. (202-728-0500)
- March 2: Institutional Investor News' 13<sup>th</sup> Annual Mutual Fund Industry Awards at the Ritz Carlton Battery Park in New York (212-224-3239)
- March 2: IDC New York Chapter Meeting (202-326-8300)
- March 15: IDC Boston Chapter Meeting (202-326-8300)
- March 16: IDC Chicago Chapter Meeting (202-326-8300)
- March 19-22: ICI Mutual Funds and Investment Management Conference in Phoenix (202-326-5968)

April 20-21: MFDF's Enhancing Independence: A Seminar for Mutual Fund Independent Directors at UCLA in Los Angeles (202-728-0500)

April 26: IDC Washington, D.C. Chapter Meeting (202-326-8300)

May 9: IDC Denver Chapter Meeting (202-326-8300)

May 10: IDC Los Angeles Chapter Meeting (202-326-8300)

June 12: IDC San Francisco Chapter Meeting (202-326-8300)

## Quote Of The Month

*"They are spending a lot of money on litigation and I think it's time, as I say, to 'stop the madness.'" —Closed-end fund dissident Phillip Goldstein, on his proposal that the Neuberger Berman Real Estate Income Fund convert to an open-end fund (see story, page 3).*

## One Year Ago In Fund Directions

The Securities and Exchange Commission made it clear in its settlement of civil charges with Franklin Advisers and Franklin Templeton Distributors that boards need to be getting more information on distribution arrangements to assess conflicts of interest.

## Five Years Ago

The Securities and Exchange Commission issued its long-awaited governance rulings with one of the more controversial aspects mandating that counsel to boards be unaffiliated with the fund's investment advisor or related entities. Groups such as the American Bar Association and many industry lawyers had argued that the selection of counsel was a matter that should be left to board discretion and that the bar association rules of professional conduct were sufficient to ensure independent of counsel.

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