

Audit Committee Financial Experts: An Overview for Fund Boards

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About IDC

IDC represents independent directors and trustees who serve on the boards of mutual funds, closed-end funds, exchange-traded funds, and other registered investment companies. IDC's activities and advocacy promote excellence in fund governance for the benefit of shareholders. IDC's core mission is to:

- » Deliver education and programming to enhance the effectiveness of independent directors in service to fund shareholders;
- » Foster community and engagement among independent directors, including through peer-to-peer exchange and learning;
- » Advocate for public policies from the independent director perspective in support of fund shareholders; and
- » Promote public understanding.

Nothing contained in this report is intended to serve as legal advice. Each investment company board should seek the advice of counsel for issues relating to its individual circumstances.

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Audit Committee Financial Experts: An Overview for Fund Boards

Introduction

In broad terms, the board of directors of a fund registered under the Investment Company of 1940 (1940 Act)—the primary federal law governing funds and directors—oversees the management and operations of the fund on behalf of the fund’s shareholders and monitors potential conflicts of interest between the fund and its adviser. Fund boards of directors also have significant and specific responsibilities under the federal securities laws. Among other things, they oversee the performance of the fund, approve the fees paid to the investment adviser for its services, and oversee the fund’s compliance program.

Fund boards frequently use committees to help manage their workloads and to enable greater in-depth review and oversight of particular topics or aspects of a fund’s operations. While there are no requirements under the 1940 Act that a fund establish any specific board committee, virtually every fund board has an audit committee composed entirely of independent directors to oversee the accounting and financial reporting processes of the fund and its internal controls over financial reporting, among other things.¹ In addition, virtually every fund board audit committee designates and identifies at least one member of the committee as an audit committee financial expert (ACFE). IDC is writing this paper to provide fund directors with an overview of the definition of an ACFE, what it means to be a designated and identified ACFE on a fund board, and some current practices for fund board ACFEs.

¹ Many funds have adopted this practice even though they are not required to do so, unless they rely on certain SEC rules. For example, Rule 32a-4 exempts funds from the requirement under the 1940 Act that shareholders vote on the selection of the fund’s independent public accountant if, among other things, the fund has an audit committee composed entirely of independent directors.

Background

After several high-profile accounting scandals in the early 2000s undermined investor confidence, Congress enacted the Sarbanes-Oxley Act of 2002 (SOX) to effect sweeping corporate disclosure and financial reporting reform. One goal of the reforms was to bolster the effectiveness of public company audit committees. To do this, Congress decided to require disclosure of a financial expert on audit committees, with the reasoning that “[i]nvestors may find it relevant in making their investment decisions whether an issuer’s audit committee has at least one member who has relevant, sophisticated financial expertise with which to discharge his or her duties.”²

As a result, SOX directed the Securities and Exchange Commission (SEC) to issue rules requiring companies, including funds, to disclose whether its audit committee includes at least one member who is a “financial expert.” Congress left it to the SEC to determine the definition of that term. When the SEC fulfilled its mandate, it determined that the term “audit committee financial expert” would be more descriptive.³ The SEC explained that the characteristics relevant to the designation would include “a thorough understanding of the audit committee’s oversight role, expertise in accounting matters as well as understanding of financial statements, and the ability to ask the right questions to determine whether the company’s financial statements are complete and accurate.”⁴

SEC Requirements

In 2003, the SEC adopted rules requiring each fund, whether or not the fund is listed on an exchange, to disclose whether it has at least one ACFE serving on its audit committee, and if so, the name of the expert and whether the expert is independent of management.⁵ A fund is permitted, but not required, to disclose that it has more than one ACFE.⁶ A fund without an ACFE must disclose this fact and explain why it has no audit committee financial expert.⁷ Funds are required to include this disclosure annually in their Form N-CSR filings, which are publicly available on the SEC’s website, but not required to be delivered to shareholders.⁸ The disclosure is not required in fund prospectuses or statements of additional information, and it need not be posted on the website for the fund complex.

² S. Rept. 107-205, Public Company Accounting Reform and Investor Protection Act of 2002, 107th Cong., 2d Sess. (2002) at 32, available at www.congress.gov/congressional-report/107th-congress/senate-report/205.

³ See Disclosure Required by Sections 406 and 407 of the Sarbanes-Oxley Act of 2002, SEC Release Nos. 33-8177, 34-47235 (January 23, 2003), at text accompanying nn.14-16 (Public Company ACFE Release), available at www.sec.gov/rules-regulations/2003/03/disclosure-required-sections-406-407-sarbanes-oxley-act-2002.

⁴ *Id.*

⁵ Form N-CSR, Item 3, available at www.sec.gov/files/formn-csr.pdf. See Certification of Management Investment Company Shareholder Reports and Designation of Certified Shareholder Reports as Exchange Act Periodic Reporting Forms; Disclosure Required by Sections 406 and 407 of the Sarbanes-Oxley Act of 2002, SEC Release Nos. 34-47262; IC-25914 (January 27, 2003) (Fund ACFE Release), available at www.sec.gov/rules-regulations/2003/06/certification-management-investment-company-shareholder-reports-designation-certified-shareholder.

⁶ Form N-CSR, Item 3, Instruction 2 to paragraph (a).

⁷ Form N-CSR, Item 3(a)(3).

⁸ Form N-CSR, Item 3, Instruction 1 to paragraph (a).

The SEC defines an ACFE as a person with each of the following attributes:

- i. An understanding of generally accepted accounting principles (GAAP) and financial statements;
- ii. The ability to assess the general application of such principles in connection with accounting for estimates, accruals, and reserves;
- iii. Experience preparing, auditing, analyzing, or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the fund's financial statements, or experience actively supervising one or more persons engaged in such activities;
- iv. An understanding of internal controls over financial reporting; and
- v. An understanding of audit committee functions.⁹

Further, the SEC definition requires a person to have acquired all the attributes listed above through one or more of the following experiences:

- i. Education and experience as a principal financial officer, principal accounting officer, controller, public accountant, or auditor or experience in one or more positions that involve the performance of similar functions;
- ii. Experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor, or person performing similar functions;
- iii. Experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing, or evaluation of financial statements; or
- iv. Other relevant experience.¹⁰

In adopting the ACFE rules, the SEC recognized that people actively engaged in industries such as investment banking and venture capital investment and professional financial analysts that regularly work with financial statements could be effective audit committee members.¹¹ Therefore, members of a fund's audit committee, including the ACFE, are not required to have accounting or auditing experience (e.g., as an independent accountant/auditor or chief financial officer).¹² Instead, appropriate fund industry or other business experience can potentially provide directors the relevant experience to assist directors in providing effective and meaningful oversight of fund accounting and auditing processes.

⁹ Form N-CSR, Item 3(b).

¹⁰ Form N-CSR, Item 3(c).

¹¹ See Public Company ACFE Release, at text accompanying nn.29-30.

¹² See Fund ACFE Release, at text accompanying nn.66-79.

If a director qualifies as an ACFE because they acquired the requisite attributes by having “other relevant experience,” the fund ACFE disclosure must include a brief listing of that person’s relevant experience.¹³ If an ACFE acquired the requisite attributes through one of the other enumerated experiences, the additional disclosure is not required.¹⁴

Exchange Listing Requirements

In addition to the ACFE disclosure requirement applicable to all funds, closed-end funds listed on exchanges, such as the New York Stock Exchange (NYSE),¹⁵ also may have to comply with corporate governance standards relating to the composition and expertise of audit committee members.¹⁶ For example, the NYSE requires each member of an audit committee to be “financially literate” or to become “financially literate” within a reasonable period of time after being appointed to the audit committee.¹⁷ The term “financially literate” is not defined by the NYSE or the SEC. Instead, the NYSE empowers a company’s board of directors to determine whether a director is financially literate as the board interprets such qualification in its business judgment.

In the closed-end fund context, it is reasonable for fund boards to interpret the term “financially literate” generally to mean the ability to read and understand the fund’s financial statements, including its statement of assets and liabilities, statement of operations, schedule of investments, and financial highlights.¹⁸ This interpretation is commonly used by closed-end fund boards, and is consistent with the SEC’s characterization of the NYSE rule as a requirement that each issuer have

¹³ Form N-CSR, Instruction to Item 3.

¹⁴ However, although not required, some funds disclose for all ACFEs the experiences that they have leading to the determination of their qualification as an ACFE.

¹⁵ There are various national securities exchanges on which closed-end funds may be listed, such as the NYSE and Nasdaq. For the purpose of this paper, we describe the NYSE’s rules as a representative example of the type of corporate governance standards regarding audit committee composition and expertise that a closed-end fund would have to comply with in addition to the SEC’s ACFE requirements. Note that the exchange rules may vary to some extent across the different exchanges, so the rules of the applicable exchange should be reviewed depending on the individual closed-end fund’s circumstances. For comparison purposes, we describe the corresponding Nasdaq rules in the text of the footnotes.

¹⁶ While exchange-traded funds (ETFs) are listed on exchanges, ETFs are generally exempt from the exchange standards relating to the composition and expertise of audit committee members. For example, ETFs listed on the NYSE Arca are not subject to the requirements described above that each audit committee member be “financially literate” and that at least one audit committee member have “accounting or related financial management expertise.” See Rule 5.3-E (Corporate Governance and Disclosure Policies) of the NYSE Arca Rules, available at <https://nysearcaguide.srorules.com/rules/b44a1c727ccd1000bb2a90b11c2ac4f10202>. See also Rule 5.3-E(k)(1)(5)(C) (Independent Directors/Board Committees – Composition/Expertise Requirement of Audit Committee Members) of the NYSE Arca Rules, available at <https://nysearcaguide.srorules.com/rules/b44a1ccc7ccd1000860190b11c2ac4f10211>.

¹⁷ See Commentary to Section 303A.07(a) of the NYSE Listed Company Manual, available at <https://nyseguide.srorules.com/listed-company-manual/09013e2c85c0074a?searchId=2405222258>.

¹⁸ By way of comparison, the Nasdaq rules require each audit committee member to “be able to read and understand financial statements, including a [c]ompany’s balance sheet, income statement, and cash flow statement.” See Rule 5605-3 of The NASDAQ Stock Market LLC Rules, available at <https://listingcenter.nasdaq.com/rulebook/nasdaq/rules/Nasdaq%205600%20Series>.

an audit committee composed of members “who are able to read and understand fundamental financial statements.”¹⁹

In comparison, being “financially literate” under the NYSE rule differs from and is less stringent than meeting the SEC’s definition of an ACFE. Accordingly, a director who meets the NYSE financial literacy standard may not necessarily satisfy the SEC’s ACFE definition. In addition, the NYSE rule requires each audit committee member of a closed-end fund listed on the NYSE to be financially literate, but does not require a closed-end fund director to be an ACFE in order to serve on the fund’s audit committee.

Other requirements of the NYSE include, among other things, that at least one member of an audit committee have “accounting or related financial management expertise.”²⁰ The NYSE places on the board of the listed company responsibility for determining in its business judgment, whether a director possesses accounting or related financial management expertise. While neither the NYSE nor the SEC provide a definition of accounting or related financial management expertise, the NYSE rule explicitly enables a closed-fund board to presume that a person who satisfies the SEC’s definition of an ACFE has the requisite accounting or related financial management expertise to fulfill the standard.²¹

¹⁹ See Self-Regulatory Organizations; Order Approving Proposed Rule Change by the New York Stock Exchange, Inc. Amending the Exchange’s Audit Committee Requirements and Notice of Filing and Order Granting Accelerated Approval of Amendments No. 1 and No. 2 Thereto, SEC Release No. 34-42233 (December 14, 1999), available at www.sec.gov/files/rules/sro/ny9939o.htm.

²⁰ See Commentary to Section 303A.07(a) of the NYSE Listed Company Manual, available at <https://nyseguide.srorules.com/listed-company-manual/09013e2c85c0074a?searchId=2405222258>.

²¹ By way of comparison, the Nasdaq rules require that the listed company have at least one audit committee member who has “past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual’s *financial sophistication*, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.” (Emphasis added.) The Nasdaq rules further provide that a director who qualifies as an ACFE is presumed to qualify as “financially sophisticated.” See Rules 5605-3 and 5605-4 of The NASDAQ Stock Market LLC Rules, available at <https://listingcenter.nasdaq.com/rulebook/nasdaq/rules/Nasdaq%205600%20Series>.

ACFE Determinations

In adopting the ACFE disclosure requirement, the SEC did not specify the method by which a board of directors should determine whether a person qualifies as an ACFE. Recognizing that SOX does not explicitly state who should make the determination, the SEC stated that the board as a whole is best equipped to make the determination.²² Still, the SEC has emphasized that, as with an operating company, a fund board must ensure that it names an ACFE who embodies the highest standards of personal and professional integrity.²³ The SEC further expressed that a fund board should consider any disciplinary actions to which a potential expert is, or has been, subject in determining whether that person would be a suitable ACFE.²⁴ Nevertheless, the SEC notes that the “determination will be subject to relevant state law principles such as the business judgment rule.”²⁵

To assist boards in making the determination, outside counsel typically provides all audit committee members with a questionnaire for their completion that analyzes all the attributes required to be possessed by an ACFE, as they are described above. See the appendix to this paper for a sample form of questionnaire.²⁶ While there is no prescribed form of ACFE questionnaire, questionnaires should capture all the information necessary to enable the board to assess the audit committee members’ attributes and associated experience relative to the ACFE definition.

²² See Public Company ACFE Release at text accompanying nn.38-39 (“We believe that the board of directors in its entirety, as the most broad-based body within the company, is best-equipped to make the determination.”).

²³ See Public Company ACFE Release at text accompanying nn.33-34.

²⁴ *Id.*

²⁵ See Public Company ACFE Release at text accompanying nn.38-39.

²⁶ The “notes” contained in the sample questionnaire describe interpretative guidance from the SEC on certain aspects of the ACFE definition. See Public Company ACFE Release at text accompanying nn.15-36; see *also* Fund ACFE Release at nn.64-80.

ACFE Duties and Responsibilities

The SEC included a safe harbor provision in its rules to clarify that the designation or identification of a person as an ACFE does not impose a higher degree of individual responsibility or obligation on that person.²⁷ The safe harbor codifies the SEC's position that the ACFE designation or identification does not subject a director to a higher level of due diligence with respect to the disclosures contained in the fund's registration statement, which includes its prospectus and statement of additional information.²⁸ In taking this position, the SEC recognized that the interests of investors and the operation of the markets would not be well served if the ACFE designation and identification impacted the duties, obligations or liabilities of directors.²⁹

In addition, the safe harbor clarifies that the designation of an ACFE does not *decrease* the duties and obligations of other audit committee members or the board as a whole.³⁰ Indeed, in adopting the safe harbor, the SEC emphasized that "*all* directors bear significant responsibility" [emphasis added] to protect shareholder interests under their fiduciary duty.³¹ In this regard, although other audit committee members may look to the ACFE as a resource on certain issues that arise, audit committee members should work together to perform the committee's responsibilities.

The SEC also has stated its view that the ACFE designation does not alter a director's duties, obligations or liabilities under federal and state law and that state law fiduciary duty "requires a director to inform himself or herself of relevant facts and to use a 'critical eye' in assessing information prior to acting on a matter."³² At this time, we are not aware of any court challenges to the SEC's safe harbor or any court decisions discussing any additional responsibilities or liabilities due to the ACFE designation.

²⁷ The safe harbor states that the "designation or identification of a person as an [ACFE] does not impose on such person any duties, obligations, or liability that are greater than the duties, obligations, and liability imposed on such person as a member of the audit committee and board of directors in the absence of such designation or identification." Form N-CSR, Item 3(d).

²⁸ The safe harbor states that an ACFE "will not be deemed an 'expert' for any purpose, including without limitation for purposes of Section 11 of the Securities Act of 1933." Form N-CSR, Item 3(d).

²⁹ See Public Company ACFE Release at text accompanying nn.34-38; see *also* Fund ACFE Release at text accompanying n.77. Section 11 imposes liability for material misstatements or omissions in a registration statement but provides a defense to liability for those who perform adequate due diligence.

³⁰ The safe harbor states that the "designation or identification of a person as an [ACFE] does not affect the duties, obligations, or liability of any other member of the audit committee or board of directors." Form N-CSR, Item 3(d).

³¹ Public Company ACFE Release at text accompanying n.37.

³² Public Company ACFE Release at text accompanying n.38.

Practices

In its research about board practices,³³ IDC has found that almost all boards have an ACFE and, in the vast majority of those boards, the ACFE also serves as the audit committee chair. Not surprisingly, larger boards tend to have an ACFE, while the few boards that do not have an ACFE tend to be smaller boards. Boards that do have an ACFE are split somewhat evenly on whether they have designated more than one ACFE. Larger boards are more likely than smaller boards to have designated more than one ACFE, as shown in the chart below.

	Fund Complexes	Assets (billions of dollars)		Independent Directors	
		AVERAGE	MEDIAN	AVERAGE	MEDIAN
Fund complexes with no ACFE	7	6.1	2.6	5	3
Fund complexes with one ACFE	85	62.0	12.1	6	5
Fund complexes with more than one ACFE	87	285.8	53.9	9	7

IDC also has found that most funds do not pay additional compensation for the designation as ACFE, but that audit committee chairs, who are often designated as ACFE, typically do receive compensation greater than that paid to other audit committee members. IDC also has found that the ACFE designation typically does not rotate among those directors who meet the standard.

³³ IDC/ICI Directors Practices Study. Data as of December 31, 2023.

APPENDIX

Sample Audit Committee Financial Expert Questionnaire

The following is a sample questionnaire only. Nothing contained in this appendix is intended to serve as legal advice. Each investment company board should seek the advice of counsel relating to its individual circumstances. Note that while there is no prescribed form of ACFE questionnaire, questionnaires should capture all the information necessary to enable the board to assess the audit committee members' attributes and associated experience relative to the ACFE definition.

This Questionnaire is being sent to you as a member of the Audit Committee of the Boards of Directors/ Trustees (the "Board") of [_____] (including each series thereof, the "Funds") [certain funds advised _____ (collectively, including each series thereof, the "Funds")] to determine whether you meet the definition of Audit Committee Financial Expert ("ACFE") established by the Securities and Exchange Commission (the "SEC"). Your responses to this Questionnaire will assist the Audit Committee and the Board in determining whether you meet this definition.

You are not required to be an ACFE as a member of the Audit Committee. The SEC requires only that the Funds disclose annually in their Form N-CSR filing with the SEC that the Board has determined that the Funds either (1) have at least one ACFE serving on the Audit Committee or (2) do not have an ACFE serving on the Audit Committee.

The questions below are based on the SEC's definition of ACFE set forth in Item 3 of Form N-CSR. Under this definition, whether a person is an ACFE is a two-part assessment. First, the Board must determine whether the person possesses all of the attributes required under the definition of ACFE. Second, the Board must determine whether the person acquired such attributes in the manner prescribed by the SEC. Accordingly, this Questionnaire is divided into the following sections—Required Attributes, Required Experience for Obtaining the Required Attributes, and Audit Committee Experience and Pertinent Certifications.

Instructions

- » Please first review the entire Questionnaire.
- » If, after reviewing the Questionnaire, you believe that you cannot answer many of the questions with a "Yes," especially Questions 6–11, and accordingly that you likely do not qualify as an ACFE, please check the following box, add your name and the date, and return the Questionnaire.

I do not believe that I qualify as an Audit Committee Financial Expert.

Name: _____

Date: _____

- » If after reviewing the Questionnaire, you believe that you can answer most or all of the questions with a "Yes," please complete the Questionnaire and e-mail your completed form to [_____] at [_____].

Please feel free to call [_____] at [_____] with any questions.

Required Attributes

1. Do you have an understanding of generally accepted accounting principles and financial statements?

Yes No

[Note: A person who is not an accountant may understand financial statements and generally accepted accounting principles if, for example, that person regularly reviewed and analyzed financial statements prepared using generally accepted accounting principles.]

If yes, please describe the basis of your understanding:

2. Do you have the ability to assess the general application of generally accepted accounting principles in connection with accounting for estimates, accruals, and reserves?

Yes No

[Note: A person does not need actual experience applying estimates, accruals, and reserves to satisfy this attribute.]

If yes, please describe the basis of your ability:

3. Do you have (i) experience preparing, auditing, analyzing, or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and level of complexity of issues that can reasonably be expected to be raised by the Funds' financial statements, or (ii) experience actively supervising one or more persons engaged in such activities?

Yes No

[Note: A person actively engaged in industries such as investment banking, venture capital investment, and professional financial analysis may have sufficient exposure to, and experience with, financial statements and related processes to be capable of adequate scrutiny and diligent questioning of fund management and auditors with respect to financial statements. A person need not have had experience in the fund or related industries, nor have had experience with a public company, to satisfy this attribute. Instead, the accounting issues must be “generally comparable.” That assessment, according to the SEC, is based on facts and circumstances and should focus on factors such as the size of the company, the scope of the company’s operations, and the complexity of its financial statement and accounting.]

[Note: According to the SEC, “active supervision” means having some experience comparable to that of the individuals being supervised. For example, a principal executive officer with considerable operations involvement, but little financial or accounting involvement, likely would not have exercised the necessary active supervision. A person engaged in active supervision participates in, and contributes to, the process of addressing, albeit at a supervisory level, the same general types of issues regarding preparation, auditing, analysis or evaluation of financial statements as those addressed by the person or persons being supervised.]

If yes, please describe the basis of your experience:

4. Do you have an understanding of internal control over financial reporting?

Yes No

[Note: A person need only have an understanding of, rather than actual experience involving, internal control over financial reporting to satisfy this attribute. The SEC stated that the ACFE must understand the purpose, and be able to evaluate the effectiveness, of a fund’s internal controls and procedures for financial reporting and that the ACFE should understand why the internal controls and procedures for financial reporting exist, how they were developed, and how they operate.]

If yes, please describe the basis of your understanding:

5. Do you have an understanding of audit committee functions?

Yes No

[Note: A person who has served on boards of directors or audit committees for public companies, or in management positions that involved meaningful interaction with audit committees, or who has been an auditor of a public company may have an understanding of audit committee functions sufficient to satisfy this attribute.]

If yes, please describe the basis of your understanding:

Required Experience for Obtaining the Required Attributes

To meet the definition of an ACFE, all of the required attributes identified in Questions 1–5 above must have been acquired in one or more of the manners described below in Questions 6–9.

6. Did you obtain the required attributes of an ACFE through education and experience as a principal financial officer, principal accounting officer, controller, public accountant, or auditor, or experience in one or more positions that involve the performance of similar functions?

Yes No

[Note: An ACFE may have also obtained the required expertise through experience with a private company (i.e., a company that does not file financial statements with the SEC) that prepares audited financial statements that comply with generally accepted accounting principles.]

If yes, please describe:

7. Did you obtain the required attributes of an ACFE through experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor, or person performing similar functions?

Yes No

[Note: An ACFE may have obtained the required expertise actively supervising the preparation, auditing, analysis, or evaluation of financial statements. Such active supervision would have provided experience comparable to the general experience of those being supervised with respect to the preparation, auditing, analysis, or evaluation of financial statements. For example, a person who has served as a chief financial officer is likely to have the requisite expertise, but a chief executive officer may not have had sufficient experience actively supervising unless he or she has been actively involved in the financial reporting or other financial aspects of a company's business.]

If yes, please describe:

8. Did you obtain the required attributes of an ACFE through experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing, or evaluation of financial statements?

Yes No

[Note: An ACFE may have also obtained the required expertise, for example, working for governmental, self-regulatory, and private-sector bodies that oversee the banking, insurance, or securities industries. In addition, a person in the venture capital, private equity, investment banking, or other investment professional fields may have had the requisite experience assessing companies to qualify as an ACFE.]

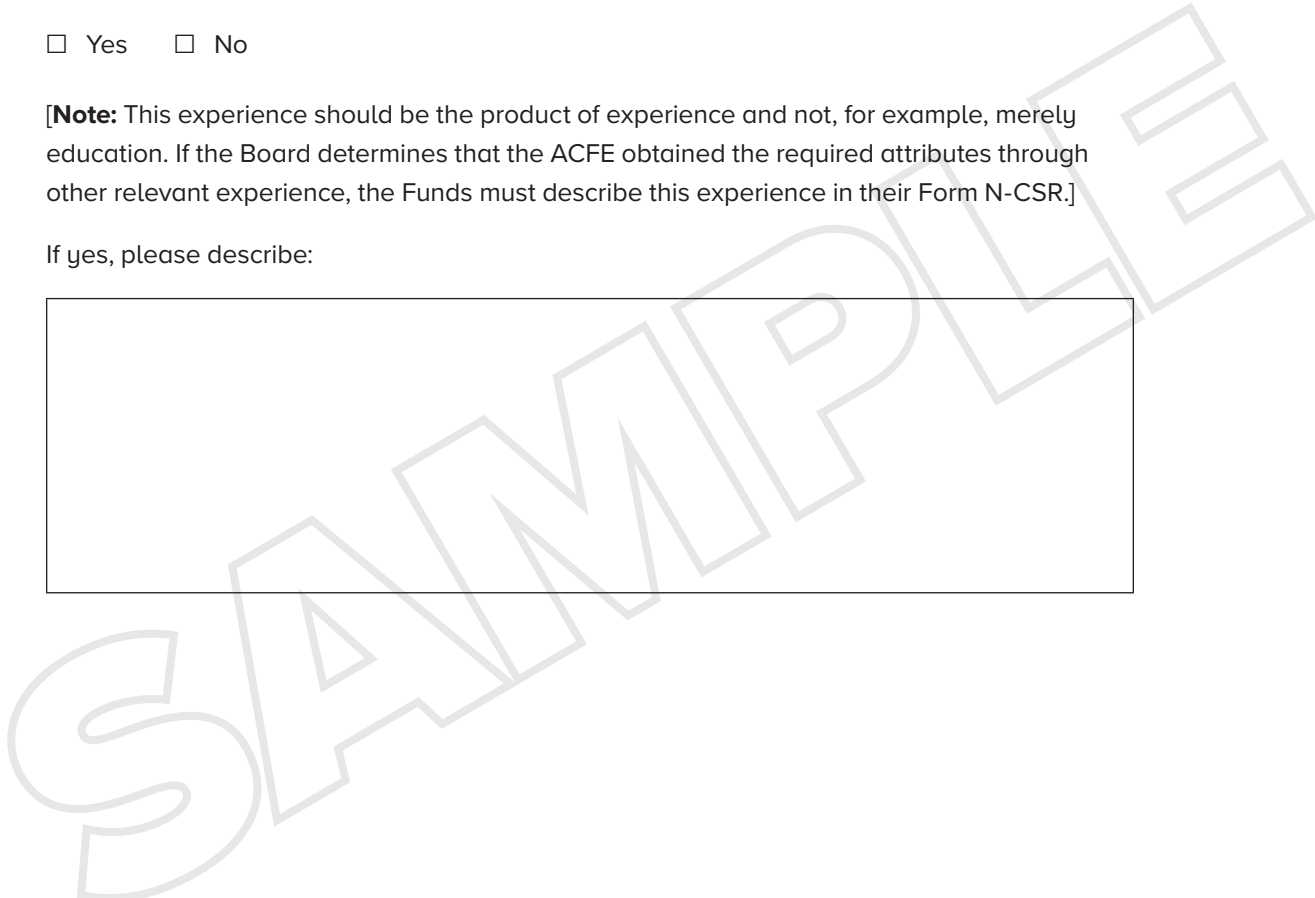
If yes, please describe:

9. Did you obtain the required attributes of an ACFE through other relevant experience (i.e., experience other than that identified in Questions 6–8 above)?

Yes No

[Note: This experience should be the product of experience and not, for example, merely education. If the Board determines that the ACFE obtained the required attributes through other relevant experience, the Funds must describe this experience in their Form N-CSR.]

If yes, please describe:



Audit Committee Experience and Pertinent Certifications

10. Please identify each audit committee on which you have served or are serving (other than the Funds' audit committee) and the approximate dates of your service. Include for-profit companies (public or private) and not-for-profit organizations.

11. Are you (or have you ever been) certified or otherwise identified as having accounting or financial experience by a recognized private body that establishes and administers standards with respect to such expertise?

Yes No

Title of certification: _____

Name of entity providing certification: _____

Are you in good standing with this recognized private body? Yes No

Approximate dates that you have been actively certified or identified as having this expertise:

I understand that the foregoing information has been requested to determine my qualification to be designated as an "audit committee financial expert" of the Funds. I represent that the information provided by me herein is true, current, and complete to the best of my knowledge and belief, and I agree to notify the Funds promptly should there be any material change in any of the above information.

Name: _____

Date: _____

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