

MEMO# 32193

February 4, 2020

IDC Comment Letter on Proxy Voting Advice Proposal

[32193]

February 4, 2020 TO: ICI Members

Investment Company Directors SUBJECTS: Fund Governance RE: IDC Comment Letter on Proxy Voting Advice Proposal

The Independent Directors Council filed the attached comment letter on the SEC's proxy advice proposal. The IDC letter supports the proposal's goal to help ensure that investors, like funds and fund advisers (fund complexes), that use proxy voting advice receive more accurate, transparent, and complete information on which to make their voting decisions, in a manner that does not impose undue costs or delays that could adversely affect the timely provision of proxy voting advice. The letter expresses concern, however, that the proposed framework and timeline for companies to review and comment on proxy advisory firms' draft advice before that advice is provided to clients (including fund complexes) would create delays in the delivery of finalized advice to fund complexes.

Thus, we recommend that the Commission consider alternative approaches that would enable fund complexes to continue to receive the advice in a timely manner. We suggest that the Commission consider alternative review timelines, such as that suggested by ICI requiring proxy advisory firms to share with companies concurrently the report it shares broadly to its clients (such as fund complexes) and to notify their clients if the company raises any objections.

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[Attachment](#)

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