

MEMO# 33172

March 9, 2021

Action Requested - Register to Participate in 2021 ICI Mutual Fund Transfer Agents Trends & Billing Practices Survey

[33172]

March 9, 2021 TO: ICI Members SUBJECTS: Compliance

Fees and Expenses

Intermediary Oversight

Operations

Transfer Agency RE: Action Requested - Register to Participate in 2021 ICI Mutual Fund Transfer Agents Trends & Billing Practices Survey

The Investment Company Institute invites your organization to participate in the 2021 Mutual Fund Transfer Agents Trends and Billing Practice Survey. This study, which the Institute will conduct in conjunction with the accounting firm of PwC and Nick D'Angelo, Managing Principal of the independent consulting firm D'Angelo Associates, LLC, is widely regarded by ICI members as providing important information for reviewing transfer agency arrangements. The study provides one means for senior management and mutual fund directors to compare their funds' transfer agency charges to those of other funds to assess competitiveness and efficiencies of their fund operations.

The 2021 final report, which will cover activity for the twelve months ending September 30, 2021, will present a detailed analysis of transfer agent fee data grouped by account size, complex size, classification of transfer agent type (i.e., external, hybrid, internal), distribution channel, and fund type (i.e., money market, fixed income, equity). Transfer agent billings are expressed in terms of average basis points and average per-account charges.

The study will also provide: comparative analyses of current data to data collected in 2019 and 2017; data collected on billings for alternative shareholder servicing and recordkeeping arrangements with third-party intermediaries; and information on transfer agency billing methodologies and arrangements.

As with other ICI surveys, the confidentiality of data submitted by individual fund groups will be strictly maintained.

Participant Obligations

Consistent with previous surveys, the final results will be provided only to fund groups that (1) agree to participate (2) provide requested data for a representative sample of funds, and (3) pay a participant fee in accordance with the following asset-based schedule:

Total Open-end Fund Assets (Long- and

Short-Term) of Complex As of 3/31/21 Member Participant Fee

Over \$200 billion	\$9,000
\$100 – 200 billion	\$8,500
\$20 – 100 billion	\$8,000
\$10 – 20 billion	\$7,000
\$5 – 10 billion	\$6,000
\$2 – 5 billion	\$5,000
\$1 – 2 billion	\$3,000
\$.25 – 1 billion	\$1,500
Under \$.25 billion	\$750

Survey participants will be provided with a web-based questionnaire that solicits data at the fund complex level and for a sample of pre-selected funds/share classes. When the questionnaire is issued, ICI will expect participants to attend a WebEx to help prepare participants for the survey completion process. The purpose of the WebEx is to review the survey including any new or revised sections, and to answer any questions about the web survey. ICI will also be available by email or phone throughout the survey completion process to provide assistance and support.

We expect to give participants access to the survey questionnaire by September 3, 2021, and to deliver the final report by July 29, 2022. **In order to meet the final report delivery date of July 29, 2022, participants must complete all data submission by December 13, 2021.**

Use of Survey

The survey results are for the participants' internal use only, therefore participation includes a commitment to keep the contents of the publication confidential. The final report that will be provided to participants is the proprietary, confidential, and copyrighted property of the Investment Company Institute and its contents may only be shared with your firm's employees, directors, and their agents (if the agent is under a nondisclosure obligation).^[1] The report may not be disclosed, published, or otherwise shared with any other person without written authorization of the Investment Company Institute. Should a regulator make a lawful demand for the final report's reproduction, ICI expects the participating member to notify ICI and request from the regulator confidential treatment pursuant to the Freedom of Information Act, or comparable state law. ICI reserves the right to use aggregated survey data for regulatory, legislative, or other public policy purposes to benefit ICI members.

Participants wishing to receive tailored peer group analyses of survey data may do so through a separate agreement arranged directly with Nick D'Angelo, Managing Principal of D'Angelo Associates, LLC.

Action Requested

To register to participate in the 2021 survey, please complete the registration form available at: <https://www.surveymonkey.com/r/2021TransferAgentStudy> as soon as possible, but no later than May 14, 2021. ICI will mail a participation fee invoice in September 2021 to the attention of the individual who authorizes your firm's participation in the study.

Please contact Joanne Kane at 202/326-5850 or joanne.kane@ici.org if you have any questions regarding the 2021 Mutual Fund Transfer Agents Trends and Billing Practices

survey. Thank you in advance for your prompt response. We look forward to working with you on this important project.

Joanne Kane
Senior Director, Operations & Transfer Agency

endnotes

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