

**MEMO# 32457**

May 13, 2020

# Important Information Regarding ICI Involvement with Third-Party Communication Regarding Summary Shareholder Report and Expected Cost Savings

[32457]

May 13, 2020 TO: ICI Members SUBJECTS: Closed-End Funds

Compliance

Disclosure

Exchange-Traded Funds (ETFs)

Fund Accounting & Financial Reporting

Operations

Transfer Agency

Variable Insurance Products RE: Important Information Regarding ICI Involvement with Third-Party Communication Regarding Summary Shareholder Report and Expected Cost Savings

It has come to our attention that a third-party may have contacted you asking for your feedback on an Abbreviated Summary Report business concept and inquiring about the cost savings that it might generate for your firm.[\[1\]](#) Because the email references both the SEC and the ICI, we write to inform you that **the ICI is not involved in this outreach in any way and is not monitoring or otherwise evaluating any information gathered**. And we have no reason to believe that the SEC hired this third-party to conduct outreach on its behalf.

We think it particularly important that you be aware of these facts because the third-party, with which the ICI is not familiar and has not worked with before, appears to be requesting that firms disclose to it cost information that is potentially competitively sensitive and for purposes that are not made clear in the outreach. Firms should, accordingly, exercise the utmost caution in determining whether or to what extent to respond.

As you know, the ICI will typically collect such cost or other data through a formal member survey conducted pursuant to strict protocols and clearly-stated objectives, including maintaining the confidentiality of individual firm responses, restricting the survey to

historical information, and aggregating results to preserve individual respondent anonymity. We are not aware of any facts that suggest to us that this third-party intends to conduct its information gathering with any of the same protocols and principles.

So, again, we urge that consider carefully whether or to what extent to participate in the information sharing this third-party proposes.

Dorothy M. Donohue  
Deputy General Counsel - Securities Regulation

Joanne Kane  
Senior Director, Operations & Transfer Agency

#### **endnotes**

[\[1\]](#) We understand that a firm titled, Patpatia & Associates, Inc. transmitted the communication. We further understand that Broadridge hired Patpatia to conduct the industry outreach on its behalf.

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