

NEWS RELEASE

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Independent Directors Council Applauds SEC Approval of Online Delivery for Fund Shareholder Reports

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Washington, DC, June 5, 2018—*Independent Directors Council (IDC) Managing Director Amy Lancellotta today issued the following statement after the Securities and Exchange Commission (SEC) yesterday approved a rule to permit mutual funds, exchange-traded funds, and closed-end funds to meet their delivery obligations for required disclosure documents, such as shareholder reports, by posting them online and providing investors a paper notice each time a new report is available, giving them the opportunity to opt-in to delivery of paper reports:*

“We applaud the SEC’s action to modernize fund shareholder report delivery, which will benefit more than 100 million US fund shareholders. This move to allow default web-based delivery is a boon to fund shareholders, saving them extraordinary costs incurred under the antiquated system of paper-based delivery in place until now. It preserves important choice for investors who prefer to receive paper disclosures. And the change heralds great benefits for the environment, on which the paper-based system exacted steep costs—with a forest of trees the size of Manhattan cut annually to support that regime.

“We strongly commend Chairman Jay Clayton for his leadership on this essential step into the 21st Century, along with the SEC staff for their support and long-running efforts to achieve this outcome on behalf of shareholders.”

IDC previously commented on this initiative in a [letter](#) to the SEC.