

IDC UPDATE

July 22, 2021

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Register Now: IDC Webinar on Closed-End Funds

On August 31, IDC will host a [webinar](#) on board oversight and recent developments in the closed-end fund industry. Ken Fang (associate general counsel, ICI), Mark Holland (partner, Goodwin Procter), and Toby Serkin (partner, Morgan, Lewis & Bockius) will participate in a panel discussion moderated by Nicole Baker (associate counsel, IDC) on activist investors in closed-end funds and the board's oversight role. Panelists will provide an overview of statutory provisions implicating shareholder voting rights and discuss litigation developments.

ICI Responds to CFA Institute's Exposure Draft of ESG Disclosure Standards for Investment Products

ICI recently submitted a [response](#) to the [Exposure Draft](#) (login required) of the CFA Institute's ESG Disclosure Standards for Investment Products ("CFA Standards"). ICI opposed the adoption of the standards and [observed](#) (login required) that additional disclosure standards may unnecessarily burden investment managers, may be of "questionable benefit to investors," and cause confusion that may make it difficult to establish effective disclosure standards. ICI also noted that the CFA Standards may duplicate or conflict with existing regulatory requirements.

Daniel S. Kahl Appointed Acting Director of the Securities and Exchange Commission's Division of Examinations

The Securities and Exchange Commission (SEC) recently [announced](#) that Daniel Kahl, the deputy director of the Division of Examinations, will be named acting director of the division. Kahl has served as a deputy director since 2018 and as the division's chief counsel since 2016. He previously led the Division of Investment Management's Office of Investment Adviser Regulation. Earlier in his career, Kahl worked at the Investment Adviser Association, the Financial Industry Regulatory Authority (FINRA), and the North American Securities Administrators Association (NASAA).

ICI Releases Report on IRA Assets

ICI recently released a [report](#) finding that individual retirement accounts (IRAs) represent the largest share of assets in the United States retirement market, with assets totaling \$12.2 trillion at year-end 2020. Forty-five percent of this total is held in mutual funds that are primarily invested in equity funds. In 2020, average expense ratios paid by bond and hybrid IRA mutual fund investors trended down. IRA mutual fund investors paid average expense ratios that were similar to those paid by all mutual fund investors. In addition, IRA investors, like those in 401(k) plans and industrywide, concentrated their assets in lower-cost mutual funds. ICI also found that 401(k) plan investors may pay lower average expense ratios compared to investors industrywide and in IRAs because of 401(k) plan economies of scale, plan sponsor decisions to cover some 401(k) plan costs, and IRA and retail investors' use of financial professionals.

Mark Your Calendar for Upcoming Events

*All times are shown in **eastern time (ET)**.*

Webinar

- [Closed-End Funds – Board Oversight and Recent Developments: August 31, 2:00 p.m.](#)

Foundations for Fund Directors®

- September 13-14

Panel Discussion

- Zoom Panel on Boards and CCOs: November 10, 2:00 p.m.

Please contact [Paul Mussoni](#) for additional information. A list of IDC events can be found on [IDC's website](#).

For more information about IDC, please contact idc@ici.org. If you are experiencing technical problems, please contact webmaster@ici.org. To opt out of receiving *IDC Update*, please contact memberservices@ici.org.

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