

IDC UPDATE

March 31, 2022

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ICI Holds Investment Management Conference in Palm Desert

On March 27–30, ICI held its annual Investment Management Conference in Palm Desert, California. Speakers included [ICI President and CEO Eric J. Pan](#); William Birdthistle, director of the Division of Investment Management of the Securities and Exchange Commission (SEC); and Natasha Cazenave, executive director of the European Securities and Markets Authority (ESMA). In addition, Susan Olson, ICI general counsel, sat down with Sarah ten Siethoff, associate director of the Rulemaking Office in the SEC’s Division of Investment Management, for a fireside chat on several SEC rule proposals.

During his [remarks](#), Birdthistle offered his views on the importance of disclosure to investors, particularly the SEC rule proposals “to require streamlined shareholder reports, to amend prospectus fee and expense disclosure, and to enhance the information funds report about their proxy votes.” Separately, Birdthistle observed that funds may “harness financial incentives for the public good,” noting the recent growth of funds focused on environmental, social, and governance (ESG) investing. Birdthistle also offered his views on Section 36(b) of the Investment Company Act, which permits fund shareholders to sue the fund’s investment adviser for excessive payments in breach of the adviser’s fiduciary duty to the fund.

In addition, IDC’s managing director Tom Kim moderated a panel on “The Fund Board Perspective on Regulatory and Industry Developments.” Speakers Kathie Barr (independent director, William Blair Funds and Professionally Managed Portfolios), Chris Palmer (partner, Goodwin Procter), and Rana Wright (general counsel, Harris Associates, and interested trustee, Oakmark Funds) discussed new SEC rules and rule proposals; diversity and inclusion in the independent director community; the importance of understanding market dynamics and strategy; and innovations in the asset management industry, among other things.

IDC Resumes In-Person Chapter Meetings

On March 30, IDC hosted an in-person chapter meeting for independent directors of ICI member funds in conjunction with ICI’s Investment Management Conference. During the meeting, guest speakers from KPMG provided observations on issues that are top of mind for fund directors, including the impact of the sanctions imposed on Russia in response to its invasion of Ukraine, ESG investing, and cybersecurity.

The next in-person chapter meetings will take place on Thursday, May 12, in Chicago, San Francisco, and Charlotte. These meetings will leverage technology to facilitate informal and interactive discussion among fund directors in other cities about issues that affect the fund

industry and the role of directors. Vaccination is required for attendees in all locations. Click [here](#) to register for Chicago, [here](#) to register for San Francisco, and [here](#) to register for Charlotte.

Mark Your Calendar: IDC Fund Directors Workshop on May 25-26

Join fund directors and senior executives from all facets of the asset management industry at IDC's [Fund Directors Workshop](#) on May 25-26 at the JW Marriott in Washington, DC. The event offers unbeatable networking opportunities and timely, insightful programming on key subjects, including governance practices in the modern age, as well as a primer on SMAs, CITs, and other nonregistered investment products. Please register [here](#) today to attend the Fund Directors Workshop.

SEC Issues Rule Proposal Requiring Public Companies to Provide Enhanced Climate-Related Disclosure

The SEC recently issued for comment a [rule proposal](#) that would create an extensive climate disclosure reporting regime for public companies. [The proposal](#) would require registrants to disclose certain climate-related information in their registration statements or annual reports. The required disclosure would include information about the registrant's climate-related risks that are reasonably likely to have material effects on its business or consolidated financial statements, and greenhouse gas emissions metrics. Comments on the proposal are due 30 days after publication in the *Federal Register* or 60 days after issuance (May 20, 2022), whichever period is longer. ICI's memorandum summarizing the proposal can be accessed [here](#) (login required).

Mark Your Calendar for Upcoming Events

*All times are shown in **eastern time (ET)**, unless otherwise noted.*

Webinars

- Litigation and Enforcement Update: What Fund Directors Need to Know: May 3, 3:00 p.m.

Chapter Meetings

- [Charlotte: May 12, 1:00 p.m.](#)
- [Chicago: May 12, Noon \(CT\)](#)
- [San Francisco: May 12, 10:00 a.m. \(PT\)](#)

Foundations for Fund Directors®

- June 13-14 (Washington, DC)

Conferences

- [ICI Leadership Summit](#), including IDC's Fund Directors Workshop: May 25-26, Washington, DC

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

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