

IDC UPDATE

April 14, 2022

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IDC Files Comment Letters with the SEC on Proposed Money Market Fund Reforms and the Cybersecurity Risk Management Rule Proposal

On April 11, IDC filed a comment [letter](#) with the Securities and Exchange Commission (SEC) on its [money market fund reform proposal](#). In its letter, IDC supports the SEC for eliminating the framework on the imposition of liquidity fees and gates, but opposes the proposal's swing pricing requirement, as well as its approach to addressing negative interest rate environments—"both of which would alter essential characteristics of money market funds and call into question the viability of broad categories of money market funds."

IDC also filed a comment [letter](#) with the SEC regarding the [proposed cybersecurity risk management rules](#) that would require registered funds to adopt and implement policies and procedures that are reasonably designed to address cybersecurity risks. The comment letter explains that IDC supports the proposal, provided that: (1) funds retain flexibility in implementing the rule; (2) the scope of fund boards' responsibilities under the rule is consistent with their oversight responsibilities, not the day-to-day responsibilities of a fund's service providers; and (3) fund boards may rely on cybersecurity risk management certifications supplied by the fund's principal service providers.

In addition, ICI filed a [letter](#) addressing the money market fund proposal, as well as a [letter](#) on the cybersecurity proposal.

Registration Open for IDC's First New Director Engagement Call

Don't miss the chance to join other newer fund directors on Thursday, April 28 at 2:00 p.m. (ET) for IDC's inaugural New Director Engagement Call! This new call series is designed to foster education, community, and engagement among fund directors with three years of experience or less. Participants can share their ideas and experiences, while discussing top-of-mind issues affecting the fund industry and the role of directors. Register [here](#) today!

Register for IDC Webinar—Litigation and Enforcement Update: What Fund Directors Need to Know

Register today for IDC's May 3 webinar, "Litigation and Enforcement Update: What Fund Directors Need to Know." Kathryn Quirk (independent director, Harbor Funds) will moderate a lively discussion with Steve Topetzes (partner, K&L Gates) and Julia Ulstrup (senior vice president and general counsel, ICI Mutual Insurance Company) that will update directors on what they need to know about recent civil litigation and regulatory enforcement priorities of interest to fund boards. Panelists will provide practical tips for fund directors in the current environment. Please register [here](#).

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.

ICI and Other Trade Associations Submit Letter to SEC Chair Gensler on Importance of Sufficient Comment Periods

ICI and 24 other trade associations recently submitted a [joint letter](#) to SEC Chair Gary Gensler expressing serious concern that the SEC is not giving enough time for thoughtful public input into the rulemaking process. In addition to the volume of recent rulemaking, the authors' concerns are intensified by the fact that the SEC simultaneously is addressing issues that may significantly affect industry operations and practices. The letter points out that the SEC has been defaulting to a 30- or 60-day comment period for all rule proposals, and requests that the SEC tailor the length of each comment period based on the complexity of the rule proposal and the SEC's rulemaking agenda. ICI's memorandum summarizing the joint letter is available [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.](#)
- Cybersecurity Considerations for Fund Boards—The Current Landscape: June 9, 3:00 p.m.

Industry Segment Calls

- [New Directors: April 28, 2:00 p.m.](#)
- Board Leaders: June 1, 2:00 p.m.
- Directors at Small Funds: June 2, 2:00 p.m.
- Directors of ETF Funds: June 7, 2:00 p.m.
- Audit Committee Chairs: June 8, 2:00 p.m.
- Governance Committee Chairs: June 17, 2:00 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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