

COMMENT LETTER

August 17, 2022

ICI Comment Letter on Certain Information Providers Acting as Investment Advisers

In June, the SEC issued a request for comment on index providers, model portfolio providers, and pricing services. The release poses many questions exploring whether information providers might meet the definition of "investment adviser" under the Investment Advisers Act of 1940 (Advisers Act) and the Investment Company Act of 1940 (Investment Company Act) and if so, the related implications.

ICI responded on August 16, on behalf of registered funds in their capacity as knowledgeable users of the products and services of index providers and pricing services.

As a legal matter, we state that it is not at all clear that information providers are "investment advisers" under the Advisers Act and also fail to qualify for applicable exclusions (e.g., the "publisher's exclusion"). Setting aside that critical legal question, as a matter of policy we do not believe that regulating information providers under the Advisers Act would improve the quality or cost-effectiveness of their products and services. In fact, the related costs likely would be substantial and passed on to clients (e.g., funds and their investors). Notwithstanding our concerns with Advisers Act regulation of these entities, if Congress seeks to create a regulatory structure for one or more types of information provider, it must do so in a manner that is tailored to their unique products and services.

Read more in the [comment letter](#).