

IDC UPDATE

December 30, 2022

IDC Update: December 15, 2022

Happy Holidays from IDC

IDC wishes you happy holidays and a joyous, healthy New Year. This is our last issue of *IDC Update* in 2022. *IDC Update* will resume in January. We look forward to seeing you in 2023!

IDC Hosts Webinar on SEC Rule Proposals on Swing Pricing and Hard Close

On December 14, IDC hosted a webinar with record attendance on the Securities and Exchange Commission's (SEC) recent rule proposals on swing pricing and hard close. Lisa Hamman (Associate Managing Director, IDC) moderated an informative discussion with Joanne Kane (Chief Industry Operations Officer, ICI) and Lance Dial (Partner, Morgan Lewis) on the real-world implications and practical applications of mandatory swing pricing and a hard close. Panelists focused on the challenges the proposals pose for funds and their impact on shareholders. The webinar recording and slides will be available on IDC's website within the next week.

Register Now: IDC Foundations Director Orientation Program in January 2023

IDC will hold its next [orientation program](#) for newer fund directors **virtually** on **Wednesday, January 11 through Thursday, January 12, 2023**. Please register [HERE](#). The *Foundations for Fund Directors*® program is designed for independent directors with up to five years of experience but also may serve as a useful refresher course for all directors, no matter their level of experience. Topics include the structure of registered funds, directors' role as fiduciaries, and director responsibilities. Participation is limited to independent directors of ICI member funds.

ICI Releases 2022 Annual Report

ICI published its [2022 Annual Report to Members](#), highlighting the Institute's work during the course of the past year. The report discusses a range of activities, including communications, research, conferences and events, and advocacy on behalf of ICI members. The report also includes a high-level summary of key IDC activities for the fund director community.

ICI Op-Ed on SEC's Names Rule

On December 9, The Financial Times published an [opinion piece](#) by ICI General Counsel Susan Olson on the [SEC's proposal](#) to expand the Names Rule, 35d-1 under the Investment Company of 1940. Susan explained that, for 20 years, the SEC has sought to require regulated funds to adopt names that are not misleading. Recently, the SEC proposed to expand the Names Rule to cover names that reference subjective terms. In the opinion

piece, Susan urges the SEC to abandon this “misguided and costly proposal for fund names,” observing that “the risk is that the SEC places itself as a fund labeler and final arbiter, inviting itself into the management of funds.”

SEC Commissioner Uyeda Addresses Pending SEC Rule Proposals

During ICI’s recent Global Asset Management Asia Forum, SEC Commissioner Mark T. Uyeda [discussed](#) several pending SEC rule proposals, including its [proposal](#) on the use of swing pricing and the imposition of a hard close for purchases and redemptions of open-end fund shares. Commissioner Uyeda said he has “strong reservations whether the proposed requirements, which appear very prescriptive and costly, would effectively address [the SEC’s] concerns” regarding how funds manage liquidity risk. Commissioner Uyeda also discussed the pending rule [proposal](#) that would impose specific disclosure requirements on investment advisers and investment companies that market themselves based on environmental, social, and governance (ESG) factors. Commissioner Uyeda observed that investment advisers already are required to disclose accurate information about how they invest client assets.

Mark Your Calendar for Upcoming Events

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

Chapter Meetings

- Florida, February 9, 10:00 a.m.
- Denver, March 7, 10:00 a.m. (Mountain Time)

Foundations for Fund Directors®

- [January 11-12 \(Virtual\)](#)
- June 13-14 (Washington, DC)

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