

IDC UPDATE

May 11, 2023

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Register Now for IDC Fund Directors Workshop - May 23-25

Registration is open for [IDC's Fund Directors Workshop](#) (**Tuesday, May 23** through **Thursday, May 25**) at the JW Marriott in Washington, DC, held in conjunction with [ICI's Leadership Summit](#). Join fund directors for unique networking opportunities, including breakfast with peer-to-peer discussions on board governance practices, and timely, insightful programming on key subjects relevant to fund directors such as mutual fund-to-ETF conversions and related oversight considerations. Conference registration may be accessed [here](#).

Register Today: IDC Chapter Meetings in Boston, New York, and Washington, DC

IDC will host its next Boston Chapter Meeting on **Monday, May 15** at MFS. The meeting will kick off with a discussion led by Janine Comstock, MFS SVP and Chief Security Officer. The meeting will also feature an informal discussion for participants on topics of current interest in the boardroom. IDC Chapter meetings are open to independent and interested directors of ICI member funds. Please register [here](#).

IDC will host its next New York Chapter Meeting on **Thursday, June 8** in PIMCO's New York office. The meeting will feature an informal discussion led by Libby Cantrill, PIMCO Managing Director, on policy and political risk from an investment perspective. Please register [here](#).

In addition, registration is now open for IDC's Chapter Meeting in Washington, DC on **Monday, June 26** at IDC's office. Please register [here](#).

Registration Open for IDC Industry Segment Calls

IDC will host its next call for Directors at Small Fund Complexes on **Thursday, June 1**, at 3:00 p.m. (ET). This call will be an informal and interactive discussion among participants, facilitated by Julie Allecta, Independent Director of iMGP Funds and Salient Funds. The call is open only to directors of ICI member funds. Register [here](#).

IDC will also host its next call for [Directors of Business Development Companies \(BDCs\)](#) on **Monday, June 12**, [Governance Committee Chairs](#) on **Wednesday, June 21**, [Board Leaders](#) on **Thursday, June 22**, and [Directors of ETFs](#) on **Friday, June 23**.

SEC Charges Investment Adviser and Fund Trustees in Case Enforcing Liquidity Rule

[On May 5](#), the Securities and Exchange Commission (SEC) [charged](#) an investment adviser

with aiding and abetting [Liquidity Rule](#) violations by a mutual fund it advised and whose Liquidity Risk Management Program it administered. The Liquidity Rule prohibits mutual funds from investing more than 15 percent of their net assets in illiquid investments, requires funds to take certain prompt remedial steps if they hold illiquid investments above this percentage limit, and requires funds to adopt a liquidity risk management program to assess their liquidity risk. The SEC also charged the fund's two independent trustees and two officers of the fund and its investment adviser with aiding and abetting Liquidity Rule violations by the fund. A third trustee agreed to [settle](#) charges that he caused and willfully counseled the fund's violations. According to the complaint, the fund's board had oversight responsibilities regarding the fund's Liquidity Risk Management Program.

House Financial Services Committee Passes E-Delivery Legislation

On April 27, the House Financial Services Committee passed the "Improving Disclosure for Investors Act," [H.R. 1807](#), which would direct the SEC to permit financial firms to deliver regulatory documents to investors through electronic means. In a related statement, ICI President and CEO Eric Pan [observed](#) that "e-delivery will make our disclosure framework more effective and improve the retail investment experience for millions of Americans."

SEC Adopts Amendments Requiring Enhanced Share Repurchase Disclosure

The SEC [recently](#) adopted [amendments](#) requiring registered, exchange-traded closed-end funds ("listed closed-end funds") and business development companies (BDCs) to provide enhanced disclosures related to repurchases of their issued shares. In particular, the amendments [would require](#) these funds to 1) disclose daily repurchase activity either quarterly (for BDCs) or semi-annually (for listed closed-end funds); 2) check a box if certain directors or officers traded in the relevant securities within four business days before or after the repurchase plan or program was announced publicly; and 3) provide certain narrative disclosure about the repurchase programs and practices in periodic reports. BDCs also would be required to provide quarterly disclosure related to an issuer's adoption and termination of a Rule 10b5-1 insider trading arrangement.

Mark Your Calendar for Upcoming Events

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

Conferences

- [Fund Directors Workshop, May 23-25 \(Washington, DC\)](#)

Industry Segment Calls

- [Directors at Small Fund Complexes, June 1, 3:00 p.m.](#)
- [Directors of BDCs, June 12, 2:00 p.m.](#)
- [Governance Committee Chairs, June 21, 1:00 p.m.](#)
- [Board Leaders, June 22, 3:00 p.m.](#)
- [Directors of ETFs, June 23, 2:00 p.m.](#)
- New Directors Engagement Call, June 27, 2:00 p.m.

Chapter Meetings

- [Boston, May 15, 10:00 a.m.](#)
- [New York, June 8, 10:00 a.m.](#)
- Los Angeles, June 15, 10:00 a.m. (PT)

- [Washington, DC, June 26, 10:00 a.m.](#)

Foundations for Fund Directors®

- [June 13-14 \(Washington, DC\)](#)

A list of IDC events can be found on [IDC's website](#).

In Case You Missed Recent IDC Webinars or IDC Update Editions

Be sure to check out our recent webinars available on-demand.

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