

IDC UPDATE

August 4, 2023

IDC Update: August 3, 2023

Registration Now Open: 2023 IDC Fund Directors Conference on October 11-13

Please join us for the 2023 IDC [Fund Directors Conference](#), the premier event for the independent director community, in Chicago, Illinois from **Wednesday, October 11, through Friday, October 13**. You may access the preliminary conference program, as well as [hotel information](#), on [IDC's website](#). [CLE and CPE credit](#) is available.

Early bird registration closes on September 6. Register [HERE](#) today!

SEC Proposes Rules Regarding the Use of Artificial Intelligence by Broker-Dealers and Investment Advisers

The Securities and Exchange Commission (SEC) recently voted to propose [new rules and amendments](#) to address potential conflicts of interest associated with the use of artificial intelligence to interact with investors. [According to the SEC](#), the proposed rules seek to prevent broker-dealers and investment advisers that use predictive data analytics and similar technologies from placing their interests ahead of investors' interests. [Under the proposal](#), registered investment advisers would be required to, among other things, eliminate or neutralize the effect of conflicts of interest associated with their use of certain technologies in investor interactions and implement written policies and procedures reasonably designed to prevent violations of the proposed rules. The comment period will remain open for 60 days following publication of the proposing release in the Federal Register. ICI's memorandum summarizing the proposal is available [here](#) (login required).

Ken Burns to Join IDC for Speakers Series Event

Acclaimed filmmaker and documentarian [Ken Burns](#) will join us for the next Speaker Series event on **Tuesday, September 12 at 1:30 p.m. (ET)**. Independent Director John Boyer will discuss with Burns the historical figures who have influenced his life and work and the leadership traits that inspire him. Please register [HERE](#).

SEC Adopts Rules on Cybersecurity Risk Management and Incident Disclosure by Public Companies

The SEC recently adopted [rules](#) requiring public companies to disclose material cybersecurity incidents within four days after determining that an incident is material. The disclosure must describe the material aspects of the incident's nature, scope, and timing, as well as its material impact or reasonably likely material impact on the registrant. The [final rules](#) also require public companies to disclose material information regarding their cybersecurity risk management, strategy, and governance on an annual basis. When voting to adopt the proposal, SEC Chair Gary Gensler [observed](#) that "[public] companies and

investors alike... benefit if [material cybersecurity information] disclosure were made in a more consistent, comparable, and decision-useful way.”

According to its [Spring 2023 Regulatory Agenda](#), the SEC anticipates taking final action on its separate rule proposal on cybersecurity risk management for investment advisers, registered funds, and business development companies by October 2023.

Mark Your Calendar for Upcoming Events

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

Conference

- [Fund Directors Conference, October 11-13 \(Chicago\)](#)

Speaker Series

- [A Conversation with Ken Burns, September 12, 1:30 p.m.](#)

Chapter Meetings

- San Francisco, December 11

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

In Case You Missed Recent IDC Webinars or IDC Update Editions

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

- [New and Proposed SEC Fund Disclosure Requirements: What Boards Need to Know](#)

As a member of IDC, you have access to a library of archived webinars and content. To access all of IDC's archived content, please click [here](#) (login required) for full access.