

## IDC UPDATE

October 24, 2023

# IDC Update: October 12, 2023

## IDC Hosts Successful Fund Directors Conference

IDC is hosting this week its [2023 Fund Directors Conference](#) in Chicago, bringing independent directors and members of the fund community together for an agenda filled with director experts, speakers in the asset management industry and peer-to-peer discussions.

The first day kicked off with a welcome from IDC Managing Director Tom Kim followed by a fireside chat with IDC Governing Council Chair Cynthia Plouché and ICI CEO and President Eric Pan.

This year's conference is filled with in-depth panels and topics including a discussion with SEC Division of Investment Management Director William Birdthistle and panels on AI in asset management, trends in the fund business, fund governance practices, ETF innovations, cybersecurity risk management, alternative investments, and more. Stay tuned for more and hope to see you next year in Chicago, October 21-23, 2024!

## Cynthia Plouché Re-Elected as Chair of IDC Governing Council and William Ebsworth Elected Vice-Chair

The Governing Council of the Independent Directors Council has re-elected Cynthia R. Plouché as its Chair and elected William R. Ebsworth as its Vice-Chair for the 2023-2024 fiscal year. Plouché, who recently completed her first year as IDC chair, is an Independent Director on the boards of the Northern Trust mutual funds and MassMutual funds. Ebsworth is an Independent Director of the Allspring Funds. The Governing Council also elected four new members: Michael G. Clark (Independent Director, Cohen & Steers Funds), Hugh T. Hurley (Independent Director, HSBC Funds), Nancy M. Morris (Independent Director, Diamond Hill Funds), and Kathryn L. Quirk (Independent Director, Harbor Funds and Harbor ETF Trust). Please join us in congratulating Cynthia, Bill, and the new members of the Governing Council. IDC's press release is available [HERE](#).

## New IDC/ICI Report Highlights Trends in Governance Practices and Fund Board Demographics

IDC and ICI [recently released](#) the [Overview of Fund Governance Practices, 1994-2022](#), which highlights that fund boards continue to follow strong governance practices to best serve the interests of shareholders. For example, independent directors make up three-quarters of boards in 89 percent of fund complexes, and more than two-thirds of fund complexes report having an independent chair. The demographic data also demonstrate the director community's progress toward including more women and individuals of diverse backgrounds around the board table. This data, additional trends from the Overview Report,

and new metrics comparing fund board practices to those of corporate boards were discussed at a panel at IDC's Fund Directors Conference this week in Chicago.

## **Register Now: IDC Virtual Foundations Director Orientation Program, November 28-29**

IDC will hold its next [orientation program](#) for fund directors **virtually** on **Tuesday, November 28 and Wednesday, November 29**. 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 will include the structure of registered funds, directors' role as fiduciaries, and director responsibilities. Participation is limited to independent directors of ICI member funds. Register [HERE](#) for the virtual Foundations program.

For directors who prefer to attend an **in-person** session, join IDC on April 17-18 in Washington, DC for the next in-person Foundations program. You may register [HERE](#) today.

## **Registration Open: IDC Industry Segments Calls for Directors of BDCs and Directors at Small Fund Complexes**

IDC will hold its next industry segment call for directors of BDCs on **Wednesday, November 8** at 3:30 p.m. ET. This call will be led by Susan McGee, Independent Director of Goldman Sachs BDC. The call is closed to regulators and the media. Register [HERE](#) today.

IDC will hold its next industry segment call for directors at small fund complexes on **Thursday, November 16** at 3:00 p.m. The discussion will be facilitated by Julie Allecta, Independent Director of iMGP Funds and Salient Funds. The call is open to independent directors of ICI member funds but is closed to regulators and the media. Register [HERE](#) today.

## **ICI Files Comment Letter on SEC's Rule Proposal on Predictive Analytics**

ICI recently filed a [comment letter](#) on the Securities and Exchange Commission's (SEC) proposed rules on "Conflicts of Interest Associated with the Use of Predictive Data Analytics by Broker-Dealers and Investment Advisers," asserting that the proposal is unnecessary and would negatively impact investors by stifling innovation. The comment letter observes that the proposed rules would significantly change established legal principles governing how firms' and their representatives' conflicts of interest must be addressed, without identifying a problem justifying the changes. The comment letter explains that the proposal exceeds the SEC's statutory authority and violates the Administrative Procedure Act (APA). ICI urges the SEC to seek additional industry feedback, and to consider the implications of the proposal in combination with its other proposed and existing rules. A summary of ICI's comment letter is available [HERE](#).

## **Recording Available: Board Oversight of Fund Performance**

IDC held a webinar on Board Oversight of Fund Performance led by Mary Martinez (Independent Director, JP Morgan Funds and ETFs) with Peter Batchelar (CFA, CAIA, Senior Vice President, Product Management, Virtus Investment Partners) and Jeff Tjornehoj (Senior Director of Fund Insights, Broadridge Financial Solutions). Speakers discussed benchmarks and peer groups, trailing and rolling returns, and other elements of fund performance oversight. The recording is available [HERE](#) (login required).

## Join ICI in NYC for the 2023 Closed-End Funds Conference

Please join ICI in a few weeks for the [2023 Closed-End Funds Conference](#) in New York City. The conference, scheduled for **November 14, 2023**, will be held in New York City at the Convene, located at 117 West 46th Street. This event promises a day filled with valuable insights from industry experts and the chance to stay ahead of trends in today's financial landscape, all while earning CPE and CLE credits. The [conference program](#) is designed to provide essential trends, strategies, and networking opportunities for fund sponsors, shareholders, directors, lawyers, and service providers alike. Esteemed speakers will share their expertise, making this event a valuable learning experience. Register [HERE](#).

## Mark Your Calendar for Upcoming Events

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

### ***Foundations for Fund Directors®***

- [November 28-29 \(Virtual\)](#)
- [April 17-18 \(Washington, DC\)](#)

### **Industry Segment Calls**

- [Directors of BDCs, November 8, 3:30 p.m.](#)
- [Directors at Small Fund Complexes, November 16, 3:00 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](#)
- [IDC Speaker Series: A Conversation with Ken Burns](#)
- [Board Oversight of Fund Performance](#)

To access all of IDC's archived content, please click [here](#) (login required) for full access.