

IDC UPDATE

December 15, 2023

IDC Update: December 14, 2023

Happy Holidays from IDC

IDC wishes you happy holidays and a joyous, healthy New Year. This is our final issue of *IDC Update* in 2023. IDC Update will resume in January. We look forward to seeing you in 2024!

SEC Releases Fall 2023 Regulatory Agenda

The Securities and Exchange Commission (SEC) recently released its [Fall 2023 Unified Agenda of Regulatory and Deregulatory Actions](#). The agenda includes regulatory actions that the SEC expects to take between now and October 2024. ICI's memorandum summarizing the SEC's rulemaking agenda may be accessed [here](#) (login required).

Final rules from the SEC's Division of Investment Management (Division) that are expected by April 2024 include reforms related to investment adviser conflicts in the use of predictive data analytics, artificial intelligence, machine learning, and similar technologies. Several other final rules from the Division that were expected by October 2023 have been delayed to April 2024. These include reforms related to open-end fund liquidity risk management and swing pricing, disclosure requirements for investment companies and investment advisers relating to cyber security risks, oversight of third-party service providers, and disclosure requirements for investment companies and investment advisers related to environmental, social, and governance (ESG) factors.

Rule proposals from the Division that are expected by October 2024 include a proposal relating to [fund fee disclosure and reform](#). The fee disclosure proposal had been previously expected by April 2024.

Federal Appellate Court Affirms Decision that Certain Closed-End Fund Control Share Provisions are Impermissible

The US Court of Appeals for the Second Circuit recently [affirmed](#) a lower court decision holding that certain closed-end funds' "control share" provisions are impermissible under Section 18(i) of the Investment Company Act of 1940. A control share statute is a state law that generally restricts the rights of a shareholder who owns more than a certain percentage of a company's shares from voting those shares ("control shares"), unless the other non-interested shareholders restore those rights. The court found the funds' control share provisions deprive some shares of voting power contrary to a requirement under the Investment Company Act.

Save the Date: 2024 IDC Fund Directors Conference in Chicago

Mark your calendars for the 2024 IDC Fund Directors Conference at the Fairmont Chicago Millennium Park from Monday, October 21 through Wednesday, October 23 in Chicago,

Illinois.

The dates and location for the 2025 IDC Fund Directors Conference will be announced in early 2024.

Registration Now Open for IDC New Director Engagement Call and BDC Directors Industry Segment Call

IDC will hold its next New Director Engagement Call on **Tuesday, February 6**, at 2:00 p.m. ET. The discussion will be facilitated by Karla Rabusch, Independent Director of Lord Abbett Funds. This call is designed to foster education, community, and engagement among fund directors with three years of experience or less. It is open to directors of ICI member funds but is closed to regulators and the media. Register [HERE](#) today.

IDC will hold its next industry segment call for directors of BDCs on **Wednesday, February 14** at 2:00 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 to Host In-Person Foundations Program for Newer Fund Directors® on April 17-18, 2024

Registration is available for the **in-person** [Foundations for Fund Directors®](#) program on **April 17-18** in **Washington, DC**. Please register [HERE](#). The *Foundations* 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 directors of ICI member funds.

Registration Open for IDC Webinar on “SEC Examination and Enforcement Priorities: What Fund Directors Should Know”

Register now for IDC's webinar, “SEC Examination and Enforcement Priorities: What Fund Directors Should Know,” on **Tuesday, December 19** at 2:00 p.m. Nancy Morris (Independent Director, Diamond Hill Funds) will moderate a substantive discussion with experts Steve Topetzes (Partner, K&L Gates) and Julia Ulstrup (Executive Vice President and General Counsel, ICI Mutual Insurance Company) that will update directors on what they should know about the SEC's 2024 Examination Priorities and recent enforcement activity of interest to fund boards. Panelists will offer insights for fund directors in the current environment. Please register [HERE](#).

Mark Your Calendar for Upcoming Events

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

Foundations for Fund Directors®

- [April 17-18 \(Washington, DC\)](#)

Industry Segment Calls

- [New Director Engagement, Tuesday, February 6, 2:00 p.m.](#)
- [Directors of BDCs, Wednesday, February 14, 2:00 p.m.](#)

Webinars

- [SEC Examination and Enforcement Priorities: What Fund Directors Should Know.](#)

[December 19, 2:00 p.m.](#)

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:

- [Board Oversight of Fund Performance](#)
- [New and Proposed SEC Fund Disclosure Requirements: What Boards Need to Know](#)
- [IDC Speaker Series: A Conversation with Ken Burns](#)

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

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