

IDC UPDATE

May 31, 2024

IDC Update: May 9, 2024

IDC's 20th Anniversary Celebration Continues

The year 2024 marks the 20th Anniversary of the Independent Directors Council (IDC). IDC will host a celebratory reception on the evening of Monday, May 20, 2024, at our Washington, DC office. Space is limited. If you are an Independent Director member of IDC and will be in the Washington, DC area on May 20, please register [HERE](#).

Register Today for the 2024 Fund Directors Workshop - May 21-23

Registration is open for the [2024 Fund Directors Workshop](#) (Tuesday, May 21 – Thursday, May 23) 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 strategic priorities of fund boards, and timely, insightful programming on key subjects relevant to fund directors such as "Board Oversight of ETF Developments" and "The Modern 15(c) Process: Considerations for Fund Boards." Conference registration may be accessed [HERE](#).

Registration Open: IDC Segment Meetings and Peer Group Discussions

IDC is pleased to host a 90-minute segment meeting for **Audit Committee Chairs** on **Tuesday, May 14** at 2:00 p.m. ET. For the first portion of the meeting, we will be joined by Barbara Vanich, Chief Auditor at the PCAOB. The meeting also will include an informal and interactive discussion among participants. The call will be facilitated by Sue Coté, Audit Committee Chair at SEI Funds. This meeting is open only to audit committee chairs of ICI member funds. It is closed to all others, including regulators and the media. Please register [HERE](#).

IDC will hold its next peer group meeting for fund directors focused on Compliance Oversight on **Wednesday, June 12** at 1:00 p.m. ET. The **Compliance Oversight Peer Group Meeting** will be facilitated by John Boyer, Compliance Committee Chair of Voya Funds. Registration is limited to one representative per fund board. If your fund board would like to participate in the Compliance Oversight Peer Group Meeting and has not already identified a representative, please email Nicole Baker (nicole.baker@ici.org) directly to receive the registration link.

Registration is also open for IDC's **New Director Engagement Meeting** on **Thursday, June 13**, at 1:00 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.

Join Your Peers at IDC's Washington, DC Chapter Meeting - May 21

IDC will hold its meeting for fund directors based in **Washington, DC** on **Tuesday, May 21** at IDC's Office (1401 H St NW, 1st Floor Conference Center). IDC's chapter meetings are informal and interactive gatherings for independent and interested fund directors. They are free and open to directors of member funds. Chapter meetings are an ideal opportunity to engage in peer-to-peer discussions relating to your roles as fund directors. Chapter meetings also address governance practices, policy developments, and other current topics relevant to fund boards. Please register [HERE](#).

Please see below for the dates of other regional chapter meetings in 2024.

SEC Staff Publishes New Registered Fund Statistics Report

Recently, the staff of the Securities and Exchange Commission's (SEC) Division of Investment Management's Analytics Office published a new "[Registered Fund Statistics](#)" report, dated April 18, 2024, that "will give the public a view into the registered fund industry." The report includes "statistics and trends for SEC-registered investment companies that file reports of portfolio holdings [with the SEC] each month." The report contains data relating to the following topics, among others: number of funds, total fund assets, flows and returns, fund portfolio investments by category, fund derivative investments, liquidity classifications, fair value levels, and securities lending. In a [related statement](#), SEC Chair Gary Gensler observed that this "is the first time the SEC has made such information public." And, "[p]roviding such data to the public is one of the more consequential things a government agency does." ICI's memorandum addressing the report is available [here](#) (login required).

Save the Date: IDC Virtual Foundations for Fund Directors® Program

IDC will hold its next [orientation program](#) for fund directors *virtually* on Wednesday, December 4 and Thursday, December 5. 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 fund directors of ICI member funds. Please mark your calendars if you are interested in participating.

Recording Available for IDC's Webinar on the Nuts and Bolts of Artificial Intelligence

The recording is now available for IDC's primer for Fund Boards on the Nuts and Bolts of Artificial Intelligence (AI). David Blass (Partner, Simpson Thacher) moderated a discussion with Samantha Kappagoda (Independent Director, Credit Suisse Mutual Funds, and Chief Data Scientist, Numerati Partners LLC) and Tim Persons (Principal, Digital Assurance and Transparency, PwC). Speakers provided a high-level overview of AI and then discussed the fund industry's approach to the use of AI and its potential implications for the oversight role of fund directors. You can access the recording [HERE](#) (login required).

SEC Charges Adviser for Improperly Splitting Legal Fees with Its Multiple Series Trust Client

The SEC recently announced settled charges against an investment adviser for entering into an impermissible joint legal fee arrangement with its client, a multiple series trust (MST). [According to the SEC](#), the MST temporarily paid a disproportionately high amount of

legal fees and related costs connected to regulatory inquiries and private litigation following significant losses at a series of the MST. This included expenses associated with the adviser's legal representation. The SEC's order finds that the adviser violated Section 17(d) of the Investment Company Act and Rule 17d-1, which prohibit joint transactions with affiliates of registered investment companies, and an antifraud provision of the Investment Adviser Act. Without admitting or denying the findings, the adviser consented to a cease-and-desist order and a censure and agreed to pay disgorgement.

Mark Your Calendar for Upcoming Events

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

IDC Conferences

2024 Schedule

- [Fund Directors Workshop, May 21–23 \(Washington, DC\)](#)
- Fund Directors Conference, October 21–23 (Chicago, IL)

2025 Schedule

- Fund Directors Workshop, April 30–May 2 (Washington, DC)
- Fund Directors Conference, October 27–29 (Scottsdale, AZ)

Foundations for Fund Directors®

- December 4–5 (Virtual)

Chapter Meetings

- [Washington, DC, May 21, 10:00 a.m.](#)
- Boston, September 12, 10:00 a.m.
- New York, September 18, 10:00 a.m.
- Philadelphia, September 24, 10:00 a.m.
- Northern California, December 12, 10:00 a.m. (PT)

Segment Meetings

- [Audit Committee Chairs, May 14, 2:00 p.m.](#)
- Compliance Oversight Peer Group, June 12, 1:00 p.m.
- [New Director Engagement Meeting, June 13, 1:00 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:

- [Nuts and Bolts: A Primer for Fund Directors](#)
- [Board Oversight of Operational Risk](#)

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

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