IDC Independent Directors Council
Promoting Excellence in Fund Governance

September 21, 2026

Ms. Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: *E-Delivery of Information Under the Federal Securities Laws (File No. S7-2026-25)*

Dear Ms. Countryman,

The Independent Directors Council[1] appreciates the opportunity to comment on the Securities and Exchange Commission's (Commission) proposed Regulation E-Delivery.[2] The proposal would make electronic delivery (e-delivery), as opposed to paper delivery, the default method for delivery of certain information required under the federal securities laws and generally supersede the Commission's current "opt-in" approach to e-delivery.

IDC strongly supports Regulation E-Delivery and the Commission's objective to "make information more readily accessible and useful for investors and others,"[3] while maintaining important protections for shareholders, such as the right to request paper copies or opt into ongoing paper delivery at any time. As discussed below, the proposal would modernize the delivery framework to better reflect current investor preferences and technological realities.

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[1] The Independent Directors Council (IDC) serves the US-registered fund independent director community by advancing the education, communication, and public policy priorities of fund independent directors, and promoting public understanding of their role. IDC's activities are led by a Governing Council of independent directors of Investment Company Institute (ICI) member funds. ICI's members manage $47.6 trillion invested in funds registered under the US Investment Company Act of 1940, serving more than 125 million investors. There are approximately 1,600 independent directors of ICI member funds. The views expressed in this letter do not purport to reflect the views of all independent directors.

[2] Electronic Delivery of Information Under the Federal Securities Laws, SEC Release Nos. 33-11430; 34-105921; 39-2564; IA-6980; IC-36252 (July 21, 2026) ("proposal," or "proposing release"), https://www.sec.gov/files/rules/proposed/2026/33-11430.pdf.

[3] Press Release, Securities and Exchange Commission, *SEC Proposes New E-Delivery Approach to Make Information More Readily Accessible and Useful for Investors* (July 16, 2026), https://www.sec.gov/newsroom/press-releases/2026-67-sec-proposes-new-e-delivery-approach-make-information-more-readily-accessible-useful-investors.

I. Overview

Generally, Regulation E-Delivery includes requirements and conditions under which funds may default to e-delivery to deliver certain shareholder communications. The proposal also includes requirements for the method and timing of the transition to e-delivery, as well as the ability to request paper copies or opt in to ongoing paper delivery.

IDC strongly supports the Commission's efforts to modernize how shareholders receive certain regulatory disclosures from registered funds. In this letter, we address certain aspects of Regulation E-Delivery that bear on the interests of fund shareholders, including:

- IDC endorses an e-delivery approach that allows funds to deliver required regulatory disclosures more effectively and efficiently than paper delivery while preserving important investor protections;
- IDC supports the Commission's objective to lower costs and expenses associated with a default paper delivery method that no longer reflects the preferences of most investors;
- IDC strongly supports preserving shareholder choice by allowing investors to continue receiving paper communications and change their delivery preferences at any time at no cost, while protecting shareholder privacy and sensitive information; and
- IDC encourages the Commission to adopt a final rule that will promote meaningful, effective shareholder communications, while preserving flexibility in implementation.

We urge the Commission to adopt a final rule that expands funds' ability to use e-delivery to deliver required information under the federal securities laws, while also ensuring that those shareholders who would like to receive paper communications can readily do so.

II. Regulatory Framework

The Commission's current delivery framework requires certain entities to deliver regulatory documents in paper format unless an investor has affirmatively opted into e-delivery.[4] Commission guidance was first issued in 1995[5] when the internet and electronic communications were still nascent and not widely adopted by the general public. More than thirty years later, fund shareholders increasingly access their financial information through websites, mobile applications, and other digital tools. Maintaining a regulatory framework that defaults to paper delivery no longer reflects how most investors engage with their finances and investments.

Against this backdrop, Regulation E-Delivery would advance the disclosure objectives of the federal securities laws while reflecting how shareholders receive and access information today.

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[4] Proposing release at 9-11.

[5] *Id*.

III. Comments on the Proposal

Disclosure is a foundational principle of the federal securities laws that enables investors to make informed decisions, monitor their investments, and maintain confidence in the securities markets. In representing shareholder interests, independent directors have a strong interest in ensuring that required disclosures are delivered in a manner that is effective, understandable, and useful to investors. In our view, Regulation E-Delivery advances these objectives by making important information more accessible, timely, and helpful to investors, while preserving choice for those who prefer paper delivery.

A. Regulation E-Delivery Will Promote More Effective Shareholder Communications While Preserving Important Investor Protections

IDC supports the Commission's proposed e-delivery approach because it would promote more efficient and effective delivery of regulatory disclosures to shareholders, while preserving important investor protections. Today's investors conduct much of their financial lives online and increasingly expect information to be delivered through electronic media. Electronic disclosures have the potential to be more effective, as they may incorporate navigation aids, collapsible content, and hyperlinks that allow shareholders to review data more quickly and easily. Electronic documents can also be used to educate investors, including by embedding links to definitions of financial terms or other explanatory materials. In addition, funds can include more expansive charts or other graphics that are more user-friendly.

Under Regulation E-Delivery, information that does not contain information specific to a shareholder's financial matters ("personal financial information" or "PFI") could be delivered directly to a shareholder's electronic address, while information containing PFI would be accessed through a secure website link provided in a statement of availability that is delivered to the shareholder's electronic address. The proposed approach for materials containing PFI appropriately recognizes the importance of safeguarding sensitive shareholder information while still allowing investors to access disclosures electronically. This framework balances investor convenience with reasonable safeguards designed to protect sensitive shareholder information.[6]

B. The Commission's Proposal Will Reduce Cost Burdens on Fund Shareholders

E-Delivery as the default delivery framework will result in substantial cost savings for shareholders. The SEC's cost-benefit analysis indicates that regulated investment companies could save $196.5[7] million per year on the cost of paper, printing, and postage, if e-delivery

[6] The proposed approach also may provide funds with information on how disclosure materials are being accessed, helping them assess the effectiveness of shareholder communications.

[7] Proposing release at 235.

became the default. Research conducted by ICI indicates that the annual cost savings for funds and their shareholders could be even higher, ranging from $589 million to $797 million.[8] Regardless of the methodology used, the proposal is expected to generate substantial savings that ultimately benefit fund shareholders, who bear much of the costs associated with printing, mailing, and delivering required disclosures.

These considerations are especially relevant in the proxy context, where communication costs are often significant and ultimately borne by shareholders. Costs associated with proxy campaigns have increased significantly in recent years, ranging from $675 million to $1.14 billion since 2020.[9] E-delivery as a default delivery method, combined with other proxy-related reforms provided by the Commission, could help streamline the proxy voting process and limit costs otherwise borne by shareholders. In light of quorum requirements and longstanding challenges in obtaining shareholder votes, it is important to preserve the range of tools available to contact shareholders regarding proxy matters.

C. Regulation E-Delivery Will Accommodate Shareholder Delivery Preferences and Protect Shareholder Privacy

IDC supports the Commission's efforts to permit shareholders to opt in to ongoing paper delivery at no cost to shareholders. We also concur with the Commission's proposal that shareholders who initially choose to receive required disclosures by e-delivery (or are automatically defaulted into e-delivery), should retain the right to opt in to paper delivery and receive paper notifications going forward.

Likewise, IDC endorses the proposed transition process for shareholders who have provided an electronic address but are currently receiving paper delivery. Regulation E-Delivery would require funds to notify investors who already have an electronic address on file twice before transitioning them into default e-delivery. This proposal appropriately provides shareholders with advance notice of the transition while allowing funds to implement e-delivery efficiently.

We do not believe the proposal should require transition notifications sent via paper delivery to include a shareholder's full electronic address. Including a complete electronic address in a

[8] The difference in these numbers arises out of several modeling choices. As an example, unlike the Commission, ICI included the cost of sending account statements and tax documentation via e-delivery. *See* Letter from the Investment Company Institute to Paul S. Atkins, Chairman, Securities & Exchange Commission, Re: Recommendations for a Default E-Delivery Framework, Appendix B (Nov. 18, 2025), https://www.ici.org/system/files/2025-11/25-cl-edelivery-framework-recommendations.pdf. It is reasonable to assume that other agencies whose rules impact investment companies may follow the Commission's lead in defaulting to e-delivery for certain required disclosures.

[9] See Investment Company Institute, *Confronting the Growing Burdens of Fund Proxy Campaigns*, at 1 (Mar. 2026), https://www.ici.org/system/files/2026-03/26-confronting-growing-burden-fund-proxy-campaigns.pdf.

mailed notice could unnecessarily expose sensitive contact information if the notice is misdirected or intercepted. Instead, the notice could include a redacted version of the electronic address.

D. The Final Rule Should Promote Meaningful and Effective Shareholder Communications

The final rule should promote communications that are understandable and adaptable to future developments in technology. IDC encourages the Commission to seek to ensure that statements of availability provide shareholders with meaningful information about the materials available for review. The Commission should clarify that statements of availability may include general descriptions of the materials available for review, provided those descriptions do not contain PFI or personally identifiable information (PII). Without such clarification, statements of availability may become overly generic and less useful to investors.

In addition, IDC encourages the Commission to confirm that Regulation E-Delivery is technology-neutral, so it can evolve with shareholder preferences and communication methods. To avoid inadvertently limiting future communications technologies, the Commission's final rule should confirm that "electronic delivery" and "electronic address" encompass not only email, but also text messages, mobile application notifications, and other communications methods investors may use in the future.[10] Explicit recognition of these technologies would help ensure that the final rule can evolve along with shareholder communication practices.

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[10] Boilerplate text obligations may limit the use of certain technologies that cannot accommodate a significant amount of text, such as text messages on a cell phone.

IDC strongly supports and appreciates the opportunity to comment on the Commission's Regulation E-Delivery proposal. By modernizing a decades-old delivery framework, the Commission has the opportunity to improve the effectiveness of shareholder communications, reduce unnecessary costs, and better align regulatory requirements with how investors access information today, all while protecting shareholder interests.

If you have any questions regarding our letter or would like additional information, please contact Nicole Baker, Senior Director, at 202-326-5822, or me at 202-326-5463.

Sincerely,

/s/ Thomas T. Kim

Thomas T. Kim
Managing Director
Independent Directors Council

cc: The Honorable Paul S. Atkins, Chairman
The Honorable Hester M. Peirce, Commissioner
The Honorable Mark T. Uyeda, Commissioner
Brian T. Daly, Director, Division of Investment Management