

September 12, 2016

Mr. Brent J. Fields
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-1090

Re: Notice of Filing of Proposed Rule Change Adopting Maximum Fees Member Organizations may Charge in Connection with the Distribution of Investment Company Shareholder Reports Pursuant to Any Electronic Delivery Rules Adopted by the Securities and Exchange Commission (File No. SR-NYSE-2016-55)

Dear Mr. Fields:

The Independent Directors Council¹ appreciates the opportunity to comment on the New York Stock Exchange's proposal to adopt maximum fees that member organizations may charge in connection with the distribution of fund shareholder reports pursuant to any electronic delivery rules adopted by the Commission (*i.e.*, proposed rule 30e-3 under the Investment Company Act of 1940).² IDC strongly supports the proposal because it would allow rule 30e-3—if adopted—to produce the cost savings for fund shareholders that should arise from increased use of online delivery of shareholder reports.

¹ IDC serves the U.S.-registered fund independent director community by advancing the education, communication, and policy positions 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 member funds. ICI is a leading, global association of regulated funds, including mutual funds, exchange-traded funds, closed-end funds, and unit investment trusts in the U.S., and similar funds offered to investors in jurisdictions worldwide. ICI's U.S. fund members manage total assets of \$18.4 trillion and serve more than 90 million U.S. shareholders, and there are approximately 1,900 independent directors of ICI-member funds. The views expressed by IDC in this letter do not purport to reflect the views of all fund independent directors.

² See Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Proposed Rule Change Adopting Maximum Fees Member Organizations may Charge in Connection with the Distribution of Investment Company Shareholder Reports Pursuant to Any Electronic Delivery Rules Adopted by the Securities and Exchange Commission, SEC Rel. No. 34-78589; File No. SR-NYSE-2016-55 (Aug. 16, 2016), available at <https://www.sec.gov/rules/sro/nyse/2016/34-78589.pdf>; and Investment Company Reporting Modernization, SEC Rel. Nos. 33-9776; 34-75002; IC-31610; File No. S7-08-15 (May 20, 2015), available at <https://www.sec.gov/rules/proposed/2015/33-9776.pdf>.

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Fund directors oversee fund expenses on behalf of fund shareholders and, thus, have a strong interest in regulatory matters that could reduce unnecessary fund expenses. IDC strongly supports proposed rule 30e-3 because it would deliver significant benefits to fund shareholders, including potentially significant cost savings. We likewise support the NYSE's proposed changes because they would clarify the application of processing fees to online report delivery in a sensible way and set the course for an adopted rule 30e-3 to deliver significant cost savings to shareholders.

For the benefit of fund shareholders, we strongly urge the Commission to facilitate online delivery of shareholder reports. The Commission should approve the NYSE's proposal and it should adopt rule 30e-3.

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If you have any questions about our comments, please contact me at (202) 326-5824.

Sincerely,



Amy B.R. Lancellotta
Managing Director
Independent Directors Council

cc: The Honorable Mary Jo White, Chair
The Honorable Kara M. Stein, Commissioner
The Honorable Michael S. Piwowar, Commissioner

Mr. David Grim
Director, Division of Investment Management