

ICI Comment Letter with SEC on Predictive Data Analytics Proposal

On July 26, 2023, the SEC proposed new rules (the "Proposal") that would require broker-dealers and investment advisers (collectively, "firms") to take certain steps to address conflicts of interest associated with their use of predictive data analytics (PDA) and similar technologies to interact with investors. The Proposal is broad and is intended to prevent firms from placing their own interests ahead of investors' interests. Further, the Proposal seeks to establish essentially identical standards regarding conflicts of interest for both registered investment advisers and broker-dealers. The Proposal was approved by a 3-2 vote, along party lines, and follows a request for information and public comment on matters related to the use of digital engagement practices by broker-dealers and investment advisers in August of 2021.

Read more in the [comment letter](#).

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete.

Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.