APPENDIX B

Significant Events in Fund History

1774	Dutch merchant and broker Adriaan van Ketwich invites subscriptions from investors to form a trust, the Eendragt Maakt Magt, with the aim of providing investment diversification opportunities to investors of limited means.
1868	The Foreign and Colonial Government Trust, the precursor to the US investment fund model, is formed in London. This trust provides “the investor of moderate means the same advantages as large capitalists.”
1924	The first mutual funds are established in Boston.
1933	The Securities Act of 1933 regulates the registration and offering of new securities, including mutual fund and closed-end fund shares, to the public.
1934	The Securities Exchange Act of 1934 authorizes the Securities and Exchange Commission (SEC) to provide for fair and equitable securities markets.
1936	The Revenue Act of 1936 establishes the tax treatment of mutual funds and their shareholders. Closed-end funds were covered by the act in 1942.
1940	The Investment Company Act of 1940 is signed into law, setting the structure and regulatory framework for registered investment companies. The forerunner to the National Association of Investment Companies (NAIC) is formed. The NAIC will become the Investment Company Institute.

1944	The NAIC begins collecting investment company industry statistics.
1951	The total number of mutual funds surpasses 100, and the number of shareholder accounts exceeds one million for the first time. The first mutual fund focusing on non-US investments is made available to US investors.
1954	Households' net purchases of fund shares exceed those of corporate stock. NAIC initiates a nationwide public information program emphasizing the role of investors in the US economy and explaining the concept of investment companies.
1961	The first tax-free unit investment trust is offered. The NAIC changes its name to the Investment Company Institute (ICI) and welcomes fund advisers and underwriters as members.
1962	The Self-Employed Individuals Tax Retirement Act creates savings opportunities (Keogh plans) for self-employed individuals.
1971	Money market funds are introduced.
1974	The Employee Retirement Income Security Act of 1974 (ERISA) creates the individual retirement account (IRA).
1976	The Tax Reform Act of 1976 permits the creation of municipal bond funds. The first retail index fund is offered.
1978	The Revenue Act of 1978 creates new Section 401(k) retirement plans and simplified employee pensions (SEPs).
1981	The Economic Recovery Tax Act establishes "universal" IRAs for all workers. The IRS proposes regulations for Section 401(k).
1986	The Tax Reform Act of 1986 reduces IRA deductibility.
1987	ICI welcomes closed-end funds as members.
1990	Mutual fund assets top $1 trillion.
1993	The first exchange-traded fund (ETF) shares are issued.

1994	Target date (lifecycle) funds are introduced.
1996	Enactment of the National Securities Markets Improvement Act of 1996 (NSMIA) provides a more rational system of state and federal regulation, giving the SEC exclusive jurisdiction for registering and regulating mutual funds, exchange-listed securities, and larger advisers. States retain their antifraud authority and responsibility for regulating non-exchange-listed offerings and smaller advisers. The Small Business Job Protection Act creates SIMPLE plans for employees of small businesses.
1997	The Taxpayer Relief Act of 1997 creates the Roth IRA and eliminates restrictions on portfolio management that disadvantage fund shareholders.
1998	The SEC approves the most significant disclosure reforms in the history of US mutual funds, encompassing "plain English," fund profiles, and improved risk disclosure.
1999	The Gramm-Leach-Bliley Act modernizes financial services regulation and enhances financial privacy.
2001	Enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) significantly expands retirement savings opportunities for millions of working Americans.
2003	The Jobs and Growth Tax Relief Reconciliation Act of 2003 (JGTRRA) provides mutual fund shareholders with the full benefits of lower tax rates on dividends and capital gains.
2006	The Pension Protection Act (PPA) and the Tax Increase Prevention and Reconciliation Act provide incentives for investors of all ages to save more in tax-advantaged and taxable investment accounts.
2008	The SEC votes to adopt the Summary Prospectus rule. Reserve Primary Fund fails to maintain $1.00 NAV, becoming the second money market fund in 25 years to "break the dollar."
2009	The Money Market Working Group, a task force of senior industry executives, submits its report to the ICI board. The board endorses the working group's call for immediate implementation of new regulatory and oversight standards for money market funds.
2010	The SEC adopts new rules and amendments to regulations governing money market funds. In *Jones v. Harris*, the US Supreme Court unanimously upholds the Gartenberg standard under which courts have long considered claims of excessive fund advisory fees. Enactment of the RIC Modernization Act streamlines and updates technical tax rules, benefiting shareholders by making funds more efficient.

2011 In *Business Roundtable et al. v. SEC*, the United States Court of Appeals for the District of Columbia Circuit vacates the SEC's proxy access rule for failing to adequately evaluate the rule's costs and benefits.

ICI launches ICI Global to carry out the Institute's international work by advancing the perspective of regulated investment funds globally.

2014 The SEC adopts sweeping changes to the rules that govern money market funds, building upon the changes to money market fund regulation adopted by the SEC in 2010.

2017 Congress passes the most significant tax bill in three decades. Reflecting congressional support for the voluntary, employer-based retirement system, lawmakers reject proposals to raise revenue by limiting retirement savings tax incentives.

2018 The SEC adopts Rule 30e-3, permitting US-registered funds to deliver shareholder reports online to satisfy their fund disclosure obligations.

2019 The SEC adopts Rule 6c-11, known as the ETF rule, finally enabling most ETFs to operate under the Investment Company Act of 1940 without having to apply for exemptive relief.

2020 The SEC provides relief measures to funds to navigate operational challenges during the COVID-19 pandemic.

The SEC adopts Rule 18f-4 and related amendments modernizing regulations governing fund investments in derivatives.

2022 The SEC amends fund shareholder reports, dramatically condensing them to highlight key information for investors to assess and monitor their fund investments.

The SEC adopts rules to modernize and enhance proxy voting disclosure by registered investment companies.

2023 The SEC continues its unprecedented pace of new rulemakings in 2023 by adopting various changes to existing rules, including:

- Changes to shorten the settlement cycle for securities transactions from two business days (T+2) to one (T+1).
- Changes to the rules that govern money market funds, building upon the changes to money market fund regulation adopted by the SEC in 2010 and 2014.
- Changes to modernize and enhance the Fund Names rule.

2024 An unprecedented number of Commission rulemakings were subject to legal challenge, including those related to the private funds adviser rule, climate risk disclosure rule, securities loan reporting, short position reporting, Form N-PORT amendments, amendments to the dealer rule, and Regulation NMS amendments. The litigation regarding the private funds adviser rule and the amendments to the dealer rule resulted in both rules being vacated. The rest of the rule litigation is ongoing.