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Consumer Groups Urge SEC to Drop Rule on Paperless Shareholder Reports

More than 900 Americans Filed Comments Asking SEC to Withdraw Rule 30e-3 and Maintain Paper as Default Delivery Option for Mutual Fund Reports

WASHINGTON, D.C. (October 13, 2016) – [Consumers for Paper Options](#) (CPO), a coalition of individuals and organizations advocating for access to paper-based services and information, and its consumer group allies today urged the Security and Exchange Commission (SEC) to rescind proposed Rule 30e-3, which would allow mutual funds to discontinue the mailing of shareholder reports and other important investment information. During an SEC meeting today, the agency voted to postpone a final decision on Rule 30e-3, despite public comments in the media that the rule would be dropped.

Part of the broader Investment Company Reporting Modernization rulemaking, Rule 30e-3 would allow mutual funds to simply post shareholder reports to a website and require investors to specifically request mail delivery – even though investors already have the ability to request this information electronically, and the majority have opted to continue receiving them by mail. More than 900 Americans, including individual investors and elected officials, have filed [comments](#) with the SEC in opposition to the rule and its negative impact on shareholders who need access to paper reports.

“A significant portion of the population lacks regular Internet access,” said **Sally Greenberg, executive director of the National Consumers League** – a partner of Consumers for Paper Options. “Seniors, minority Americans, disabled Americans, and those living in rural areas don’t always have access or the ability to use the Internet. They depend on paper materials for the information they need.”

Greenberg added, “We understand the desire to cut costs and eliminate waste. However, we urge the SEC to recognize that Rule 30e-3 places a higher priority on efficiency than on consumer rights, investor transparency and disclosure, and to drop this rule.”

About Consumers for Paper Options

Consumers for Paper Options brings together industry, non-profits and consumers in an effort to address the transition to Internet-only resources at the exclusion of millions of citizens. Consumers for Paper Options is united in the belief that paper-based communications are critically important for millions of Americans, especially seniors and the 25 percent of households without Internet access. While regulated entities and governments at every level need to streamline services, cut costs and improve efficiencies, the goal of Consumers for Paper Options is to preserve access in a way that neither hinders the natural evolution of technology nor discriminates against those who may not, or cannot, use it. For more information, visit www.paperoptions.org.

About the National Consumers League

The National Consumers League is America’s pioneering consumer advocacy organization, representing consumers and workers on marketplace and workplace issues since our founding in 1899. Headquartered in Washington, DC, today NCL provides government, businesses, and other organizations

with the consumer's perspective on concerns including child labor, privacy, food safety, and medication information. For more information, visit <http://www.nclnet.org>.

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