

SEC:

I am a web and content designer that has worked with 2 fairly small fund firms.

I applaud your efforts to seek improve disclosure. However, in the case of small firms, I think your efforts should be pointed at brokerage websites, Morningstar, and Lipper.

I was contracted to help redesign the websites of fund firms to increase site traffic and to make the sites more inviting to investors. The first step was to measure current traffic to the site. Using Google Analytics, it appeared that site traffic by real people (as opposed to bots) was much smaller than the funds thought. Very few (under a hundred) users visited the fund's website in a given month. (Note: that fund had more than 10,000 investors)

Nearly all of the fund's sales are through brokerage platforms. These platforms do not use the fund's marketing materials. The brokers use data from Morningstar to generate their own fact sheets across all the funds they offer. The only content they get from the funds are the regulatory documents (summary prospectus, prospectus, SAI, shareholder reports, etc.), which must be in a simple PDF format.

So, although smaller funds may wish to add a richer experience, it would make little difference as their sites do not significant traffic, and probably not enough to justify the expense.

Another obstacle is both legal restrictions and restrictions imposed by brokers. Since, our only direct contact with investors was through the PDFs of the prospectus, we sought to improve those documents.

The fund's legal counsel did not think it was permissible to build rich content into the regulatory documents because the rich content could not be filed with the SEC and because of liability concerns if something was not rendered properly. Some simple ideas we had included:

- Let investors select one of many indices to compare performance (the data would be stored in the PDF or pulled from our website)
- PDFs that would pull updated performance information
- PDFs with pop-up definitions and explanations
- A script on the cover page that will check to see if the prospectus was the most current one available, and if not, it would put a warning message with a link to the latest prospectus.

Brokers apparently require simple PDFs that have no active features. This means we would not code in additional functionality such as explanations and definitions. This is both a safety measure and because (understandably) many PDF viewers (other than Adobe installed on a desktop computer) cannot read the rich content.

In sum, any improved functionality will likely need to be led by the brokers. Also, consider whether any advertising restrictions should be imposed on brokers (as opposed to just being placed on the funds).

-Yasi Wallah

P.S. As my fiancé is visually impaired, I think more fund contents and sites need to be made accessible (that is screen-reader friendly).