



May 19, 2021

Ms. Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington D.C. 20549

Re: *Order Instituting Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change to Amend its Rules Establishing Maximum Fee Rates to Be Charged by Member Organizations for Forwarding Proxy and Other Materials to Beneficial Owners (File No. SR-NYSE-2020-96)*

Dear Ms. Countryman:

On behalf of MFS Investment Management, I would like to thank the Commission and its staff for their continuing focus on the issues underlying the above-captioned proposal (the "Proposal"). For the reasons discussed herein, MFS agrees with the views expressed by the Investment Company Institute in its most recent letter to you on this matter.¹ We believe that the current regulatory framework governing processing fees charged in connection with the delivery of investment company (or "fund") shareholder documents is being applied in a manner that results in shareholder expenses that are higher than are reasonable or necessary.

MFS is a global asset management firm providing investment management services to various clients including 135 SEC-registered investment companies held by over fifteen million shareholder accounts. Over fourteen million of these accounts are held through intermediaries and are therefore subject to the fees that are the subject of the Proposal. Since all such fees are fund expenses, fund shareholders will be the primary beneficiaries of any Commission action that ultimately results in the reduction of these fees.²

We agree with the position generally expressed by the ICI that the disposition of the specific rule change set forth in the Proposal is less important than what the Commission does to address the issues underlying the Proposal. In particular, we agree that deliberate Commission action in the form of interpretive guidance or rulemaking is the only path forward. Having actively participated in the processing fee working group referred to in the ICI letter, we can attest that it indeed appears unlikely

¹ Letter from Sarah A. Bessin, Associate General Counsel and Joanne Kane, Senior Director, Investment Company Institute, dated May 13, 2021 (the "ICI Letter").


² Many advisers to mutual funds, including MFS, have expense limitation arrangements with certain funds whereby the adviser reimburses the fund if particular shareholder expenses exceed certain thresholds. MFS and other advisers may have a secondary benefit to the extent that Commission action reduces shareholder expenses below these thresholds.

that that the group will achieve consensus on a joint recommendation to the Commission.³ Additional industry discussions will result only in further delay to the detriment of fund shareholders.

As we have stated in past comment letters on this subject, the plain terms of the Commission rules that gave rise to the current regulatory framework provide only for “reimbursement” of “reasonable expenses.”⁴ It could not have been the intention of the Commission in adopting these rules to create a system that is without accountability to fund shareholders. We urge the Commission to take steps to put the system back on track consistent with its original purpose.

Thank you for taking the time to consider our views. Should you have any questions, please contact me at [REDACTED] or Jay Herold, Vice President and Senior Counsel, at [REDACTED].

Sincerely,

 Digitally signed by
Hardin, Heidi W
Date: 2021.05.19
16:11:21 -04'00'

Heidi Hardin
Executive Vice President and General Counsel

cc: The Honorable Gary Gensler, Chairman
U.S. Securities and Exchange Commission

The Honorable Hester M. Peirce, Commissioner
U.S. Securities and Exchange Commission

The Honorable Elad L. Roisman, Commissioner
U.S. Securities and Exchange Commission

The Honorable Allison Herren Lee, Commissioner
U.S. Securities and Exchange Commission

The Honorable Caroline A. Crenshaw, Commissioner
U.S. Securities and Exchange Commission

³ ICI Letter, at page 4

⁴ See, e.g., Rule 14b-1 under the Securities Exchange Act of 1934, as amended.