

BankBCLP

SEC PROPOSES TO MODERNIZE DERIVATIVE REGULATIONS FOR INVESTMENT FUNDS

Dec 03, 2019

On November 25, 2019, the Securities and Exchange Commission voted to propose a new rule regarding the regulation of the use of derivatives by registered investment companies, including mutual funds, exchange-traded funds (ETFs) and closed-end funds, as well as business development companies. See the [Press Release](#).



Under the [new proposed rule](#) the General Statement of Policy (Release 10666) would be withdrawn after a one-year transition period.

The new rule is in some regards similar to the Commission proposal made in 2015 with respect to the use of derivatives by funds, particularly with respect to its Value at Risk or VaR approach.

In the coming weeks and months we will be analyzing and commenting on the new rule and, in particular, its impact on overall leverage and financing of regulated funds.

RELATED PRACTICE AREAS

- Finance

MEET THE TEAM



Matthew P. D'Amico

New York

matthew.damico@bcplaw.com

[+1 212 541 1270](tel:+12125411270)



Morgan Bassett

New York

morgan.bassett@bcplaw.com

[+1 212 541 1102](tel:+12125411102)

This material is not comprehensive, is for informational purposes only, and is not legal advice. Your use or receipt of this material does not create an attorney-client relationship between us. If you require legal advice, you should consult an attorney regarding your particular circumstances. The choice of a lawyer is an important decision and should not be based solely upon advertisements. This material may be "Attorney Advertising" under the ethics and professional rules of certain jurisdictions. For advertising purposes, St. Louis, Missouri, is designated BCLP's principal office and Kathrine Dixon (kathrine.dixon@bclplaw.com) as the responsible attorney.



Cookiebot session tracker icon loaded