

MEMO# 26756

December 13, 2012

U.S. District Court Rejects ICI Challenge to CFTC Rule 4.5 Amendments

[26756]

December 13, 2012

TO: BOARD OF GOVERNORS No. 14-12
ACCOUNTING/TREASURERS MEMBERS No. 20-12
CLOSED-END INVESTMENT COMPANY MEMBERS No. 82-12
COMPLIANCE MEMBERS No. 28-12
DERIVATIVES MARKETS ADVISORY COMMITTEE No. 70-12
ETF (EXCHANGE-TRADED FUNDS) COMMITTEE No. 44-12
ETF ADVISORY COMMITTEE No. 50-12
EQUITY MARKETS ADVISORY COMMITTEE No. 37-12
FIXED-INCOME ADVISORY COMMITTEE No. 29-12
INVESTMENT ADVISER MEMBERS No. 50-12
INVESTMENT COMPANY DIRECTORS No. 12-12
OPERATIONS MEMBERS No. 9-12
SEC RULES MEMBERS No. 111-12
SMALL FUNDS MEMBERS No. 41-12
TRANSFER AGENT ADVISORY COMMITTEE No. 78-12
UNIT INVESTMENT TRUST MEMBERS No. 12-12
VARIABLE INSURANCE PRODUCTS ADVISORY COMMITTEE No. 20-12 RE: U.S. DISTRICT COURT REJECTS ICI CHALLENGE TO CFTC RULE 4.5 AMENDMENTS

Late on December 12, Judge Beryl Howell of the United States District Court for the District of Columbia issued her ruling in the lawsuit by ICI and the Chamber of Commerce challenging the Commodity Futures Trading Commission's amendments to Rule 4.5 under the Commodity Exchange Act.

The court rejected our arguments and granted the CFTC's motion for summary judgment. We are disappointed with the ruling, which is attached. We are in the process of reviewing the ruling and evaluating our options.

In short order, ICI will schedule a conference call with members to discuss the court's ruling.

Karrie McMillan
General Counsel

[Attachment](#)

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.