

MEMO# 30297

October 10, 2016

Draft Letter on IOSCO's Consultation on Good Practices for Fund Termination - Comments due Oct. 13

[30297]

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TO: ICI GLOBAL REGULATED FUNDS COMMITTEE No. 68-16
INTERNATIONAL COMMITTEE No. 54-16 RE: DRAFT LETTER ON IOSCO'S CONSULTATION ON GOOD PRACTICES FOR FUND TERMINATION - COMMENTS DUE OCT. 13

As we previously informed you, the International Organization of Securities Commissions (IOSCO) recently published a consultation report, *Good Practices for the Termination of Investment Funds* (CR04/2016) (Report).^[1] The Report seeks feedback on proposed good practices on the voluntary termination process for collective investment schemes and other fund structures such as commodity, real estate and hedge funds (collectively, funds). The practices are intended for both open-end and closed-end funds and are not limited to retail funds.

Attached is a draft letter for your review. Please provide your feedback by email or phone to Eva Mykolenko (emykolenko@ici.org or 202-326-5837) at your earliest convenience, but no later than noon US Eastern on Thursday, Oct. 13.

In the draft letter we generally support IOSCO issuing the proposed good practices and feel that they, as a whole, provide a useful framework for ensuring that fund terminations and mergers are effectuated in a manner that protects the interests of investors. We clarify, however, that our support is predicated upon IOSCO's statement that not all of the listed good practices will be applicable in all circumstances given the individual nature of investment fund terminations. We then express our specific concerns with four of the fifteen good practices, suggesting that they either be deleted or revised.

Eva M. Mykolenko

[Attachment](#)

endnotes

[1] The Report is available at <http://www.iosco.org/library/pubdocs/pdf/IOSCOPD542.pdf>.

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