

NEWS RELEASE

September 29, 2017

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The Council Should Enhance Transparency and Accountability

Washington, DC, September 29, 2017—Investment Company Institute (ICI) President and CEO Paul Schott Stevens issued the following statement on the vote by the Financial Stability Oversight Council (FSOC) to remove AIG's systemically important financial institution (SIFI) designation:

"The FSOC's decision to de-designate AIG serves as a reminder of the continuing, critical need to reform how the Council operates, and to ensure greater transparency and accountability for its actions.

"For years, regulated funds and their managers have lived under the threat of inappropriate SIFI designation, which would impose onerous and ill-suited bank-style regulations and penalties on funds and their shareholders, despite a historical record and other evidence showing that regulated funds and their managers do not pose risk to the financial system.

"There is value in a council of regulators assembled to examine areas of potential risk to our financial system, but the Council's inordinate focus on SIFI designation to date has been misguided. The FSOC should follow its decisions to de-designate AIG and GE Capital with a more fundamental change in approach to identifying and addressing potential risk to the financial system."