

## VIDEO

December 19, 2014

# Focus on Funds: Possible Effects of Fund Research Regulation

Focus on Funds

## Possible Effects of Fund Research Regulation

The December 19, 2014, edition of *Focus on Funds* examines the potential cross-border implications of rules governing funds' potential use of trading costs to pay for research—a practice known as “dealing commissions.”

### Transcript

**Stephanie Ortvals-Tibbs, ICI Director, Media Relations:** Welcome to *Focus on Funds*, the Investment Company Institute's weekly roundup of industry news, ICI activities, and research findings. The issue of dealing commissions is something that United Kingdom and European Union regulators are looking at. But the decisions they make will have implications far beyond their borders.

With a look at the global implications of this issue is ICI Global's Eva Mykolenko.

**Eva Mykolenko, ICI Global Associate Counsel:** It's not clear which direction ESMA is going to go and it's also not clear whether the FCA will take any further action if ESMA doesn't go as far as it would like.

But, what is clear is that firms are making incremental changes already, and it is clear that these changes aren't easy to implement, and it will take time.

**Stephanie Ortvals-Tibbs:** And could I also ask you about—there were a number of regulators here today who touched on this same issue—David Lawton from the UK's Financial Conduct Authority; Kay Swinburne, European parliamentarian. Why is this such a hot topic and is there anything else that stood out to you from the dialogue?

**Eva Mykolenko:** Right. Even though this is an issue that began in the UK and has moved on to the EU, it is something that will have an impact all over the globe. And this is the reason why we and many others are following it.

**Stephanie Ortvals-Tibbs:** That's this week in funds. See you next week.

## **Additional Resources**

- [Comment Letter on UK FCA Dealing Commission Paper](#)
- [ICI Global Response to the ESMA MiFID/MiFIR Consultation](#)

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