

SEC Re-Proposes Rule on Derivatives Use by Registered Funds

November 27, 2019 | Client Update

In a November 25, 2019 release, the SEC proposed a substantially revised version of proposed new Rule 18f-4 under the Investment Company Act of 1940, which was originally proposed on December 11, 2015. According to the proposing release, proposed Rule 18f-4 would apply to registered investment companies (other than money market funds and UITs) and business development companies, and is designed to promote the ability of registered funds to use derivatives in a broad variety of ways that serve investors, while still addressing the investor protection concerns underlying Section 18 of the Investment Company Act.

[Read the Client Alert>](#)

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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