



News Release

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MFA CHAIR ADDRESSES GLOBAL HEDGE FUND REGULATORY REFORMS AT 10TH ANNUAL EUROPEAN FINANCIAL SERVICES CONFERENCE

Brussels, Belgium – Speaking on behalf of the members of the global alternative investment community at the 10th Annual Financial Services Conference in Brussels, Belgium, Managed Funds Association (MFA) Chair William Goodell discussed the industry's views on a number of relevant public policy initiatives, including global financial regulatory reform, the impact of consolidation and proposed reforms on global financial markets and investors, perspectives on the US tax reform debate, and the ongoing debate in Europe regarding the proposed financial transaction tax.

Mr. Goodell, who participated in a panel discussion entitled “Re-thinking the Trading Landscape,” was joined by Verena Ross, Executive Director of the newly formed European Securities and Markets Authority, and Mr. Markus Ferber, a Member of the European Parliament who will play a lead role in drafting the legislation and conducting the negotiations for the Markets in Financial Instruments Directive (MiFID II).

The over 400+ registered attendees at the conference enjoyed presentations from leading policy makers, industry stakeholders, leading academics and think tanks regarding perspectives on Europe’s financial regulatory reform efforts, Dodd-Frank, and the future of the trading landscape for market participants.

Regarding MiFID II, Mr. Goodell noted that the alternative investment community shared the goal of European policy makers in promoting enhanced transparency, investor protection and market structure reforms that would enable investors to more effectively seek out industry participants, and capital markets, as a source of safe, stable returns and reliable risk management.

“The institutions and individuals that invest in MFA's members support a regulatory framework that will reduce systemic risk, provide enhanced transparency, strengthen investor safeguards, and bolster legal certainty for investors,” said Goodell. “Our aim is to work constructively with policy makers around the globe to accomplish these shared policy objectives in an intelligent, thoughtful manner.”

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MFA has encouraged regulators to be consistent in the implementation of reforms, so as to avoid fragmentation and the risk of regulatory arbitrage. Mr. Goodell noted MFA's support for the proposal in MiFID II that provides for non-discriminatory access to central counter parties and trading venues, and encouraged greater coordination with the access provisions included in the European Market Infrastructure Regulation to prohibit discriminatory practices and dismantle barriers that may prevent competition.

Mr. Goodell also discussed MFA's consistent support for reducing systemic risk, noting the importance of global regulators having the tools and information they need to prevent future systemic events. MFA has expressed concerns that the Alternative Investment Fund Manager Directive's reporting requirements go beyond the systemic risk template created by IOSCO and differ from reporting requirements in the UK and the U.S. Such a lack of international coordination will limit the comparability of the different reports, making global systemic risk monitoring more difficult for regulators, and will create unnecessary, significant burdens for global managers. In a post-2008 world, where policy makers and regulators are concerned about reducing systemic and trading risk, it is critical to implement measures that can be useful for regulators across the globe as they seek to assess potential systemic risk.

With over 3,300 global members, MFA represents the entire spectrum of the hedge fund industry. Members and staff continue to be actively engaged in the EU, as well as other global market centers and are committed to offering a positive, constructive investor perspective as policy makers and regulators seek to design and implement new financial regulatory reforms.

About Managed Funds Association

The Managed Funds Association (MFA) represents the global alternative investment industry and its investors by advocating for sound industry practices and public policies that foster efficient, transparent, and fair capital markets. MFA, based in Washington, DC, is an advocacy, education, and communications organization established to enable hedge fund and managed futures firms in the alternative investment industry to participate in public policy discourse, share best practices and learn from peers, and communicate the industry's contributions to the global economy. MFA members help pension plans, university endowments, charitable organizations, qualified individuals and other institutional investors to diversify their investments, manage risk, and generate attractive returns. MFA has cultivated a global membership and actively engages with regulators and policy makers in Asia, Europe, North and South America, and all other regions where MFA members are market participants.