



MFA Responds to UK Treasury Paper on AIFMD:

On May 4, [MFA responded to HM Treasury's discussion paper "Policy Options for Implementing the Alternative Investment Fund Managers Directive" \(AIFMD\)](#). In our response, we share important perspectives from the alternative investment industry.

In particular, we outline strong support for the Government's intention not to impose additional requirements for third country managers or third country funds under the UK private placement regime. We also articulate support for a proportional application of the AIFMD's provisions, which takes into consideration important differences among the wide variety of AIFs in light of their size and structure.

MFA, IAA, AIMA File Joint Letter to the CFTC Seeking Extension of CPO Registration Deadline:

On April 30, 2012, MFA joined with the Investment Adviser Association (IAA) and the Alternative Investment Management Association (AIMA), to request the Commodity Futures Trading Commission (CFTC) grant commodity pool operators (CPOs) an extension of time for complying with new registration requirements.

The CFTC recently amended the rules governing CPO registration by rescinding an exemption from registration for operators of private funds. The Associations believe that an extension of time is needed for compliance with the CFTC's registration requirements in order for funds and pool operators to be in compliance, and to minimize and avoid investment disruptions to investors.

In our [letter](#), we request that the CFTC:

1. Extend the period by which a CPO may still claim an exemption pursuant to section 4.13(a)(4) with respect to a newly formed pool from April 24, 2012 to December 31, 2012; and
2. Extend the date by which a CPO can claim exemption under section 4.13(a)(3) without taking into account any swaps traded on behalf of the pool from the later of December 31, 2012 or 60 days after the effective date of the final rulemaking further defining "swap" and establishing margin requirements for swaps to 10 months from the publication of final rules on the definition of swaps and margin requirements for swaps.

MFA Comments to IRS on Proposed FATCA Rules:

On April 30, MFA submitted a [comment letter responding to the Internal Revenue Service's \(IRS\) proposed rules to implement provisions of the Foreign Account Tax Compliance Act \(FATCA\)](#). MFA supports the broad anti-tax evasion objectives underlying FATCA. We also support efforts by the U.S. Department of Treasury and the IRS to establish an effective and efficient regime to obtain needed information for U.S. tax enforcement purposes. To accomplish these shared goals, we encourage the Treasury and the IRS to implement FATCA in a manner that avoids imposing unnecessary administrative burdens, particularly on those foreign financial institutions (FFIs) that present little or no opportunity for U.S. taxpayers to evade their obligations.

In our letter, we specifically encouraged the IRS to: (1) amend certain of its proposed requirements to allow investment funds registered in an Financial Action Task Force (FATF) compliant-jurisdiction and that do not have the type of investors that raise tax evasion concerns to be eligible for deemed

compliant status; (2) provide guidance clarifying how investment funds can delegate day-to-day FATCA compliance responsibilities; and (3) ensure that the government to government model agreements being negotiated provide sufficient flexibility that investment funds in relevant jurisdictions would be able to rely on those agreements.

MFA Education Series: How Passage of the JOBS Act Impacts Regulation

D:

In May, MFA released a number of educational presentations to help the public, and interested parties, learn more about specific, important facets of our industry. These presentations are useful tools for newcomers to the industry as well as more seasoned industry professionals.

Our most recent presentation, [How Passage of the JOBS Act Impacts Regulation D](#), defines how the Jumpstart Our Business Startups (JOBS) Act amended Regulation D of the Securities Act of 1933 to remove the ban on general solicitation and advertisement of private offerings. The Securities and Exchange Commission (SEC) is currently undertaking the implementation phase for the rule to amend Regulation D.

Following implementation of the JOBS Act, alternative investment managers and others conducting private offerings will have increased certainty when communicating with investors and the broader public, allowing them to share more information and promote greater understanding and transparency surrounding the industry.

MFA President and CEO Speaks at 2012 Milken Institute Conference:

On May 1, MFA President and CEO Richard H. Baker spoke on a panel at the Milken Institute's 2012 Global Conference in Los Angeles. The panel, entitled "The Changing Shape of Global Finance," featured other global financial leaders, including:

- Evan Bayh, Senior Advisor, Apollo Global Management; former U.S. Senator
- Joshua Friedman, Co-Chairman and Co-CEO, Canyon Partners, LLC
- Bennett Goodman, Senior Founding Member, GSO Capital Partners
- Tom Joyce, Chairman and CEO, Knight Capital Group, Inc.
- Carey Lathrop, Managing Director and Head of Global Credit Markets, Citi

The session was moderated by Timothy O'Hara, Managing Director and Co-Head of Global Securities, Credit Suisse, and focused on the distinguished panelists' experiences with the shifting global financial landscape. The discussion covered how evolutions in clearing and settlement, rules for central counterparties, and new regulations addressing systemic risk are having an effect on institutions and investors. The panel also discussed the financial industry's own evolution, including how competition is changing as the traditional roles of bank, broker-dealer, investor, and exchange blur and merge.

[Video of the panel is available](#) on MFA's website and learn more about the panel and the [2012 Global Conference here](#).

MFA Education Series: Commodity Trading Advisor and Commodity Pool Operator 101:

MFA also released an educational presentation highlighting the important role commodity trading advisors (CTAs) and commodity pool operators (CPOs) serve in the alternative investment industry. Our presentation, [Commodity Trading Advisor and Commodity Pool Operator 101](#), provides a straightforward explanation of how CTAs and CPOs work, how they are regulated, and how recent legislative changes impact the futures marketplace.