



### **MFA Finalizes Discussion Paper on Equivalence of EMIR:**

MFA finalized a discussion paper on equivalence issues under Article 13(3) of the European Market Infrastructure Regulation (EMIR). In the paper, MFA discusses a key outstanding issue with respect to Article 13 of EMIR and the European Commission's (Commission) adoption of an implementing act on equivalence in respect of the U.S. In particular, certain alternative investment funds (AIFs) are legally incorporated outside the U.S. but are managed by a U.S.-based manager or are majority-owned by U.S. persons, and thus, these AIFs are considered "U.S. persons" subject to the Commodity Futures Trading Commission's (CFTC) derivatives rules. However, when trading with a counterparty established in the European Union (EU) that is subject to EMIR, if the Commission does not regard the AIF as being "established" in the U.S. for purposes of Article 13, then both the AIF and its EU counterparty would need to comply with both CFTC rules and EMIR. Therefore, in the discussion paper, MFA recommends that the Commission clarify that, for purposes of Article 13, "established" in a third country does not only mean where an entity is legally incorporated, but also includes any third country that regulates that entity as a person "established" in that third country.

[Read and download MFA's EMIR equivalence discussion paper online here.](#)

### **MFA Releases New MiFID Resource Page:**

MFA launched an enhanced web page outlining the issues surrounding the Markets in Financial Instruments Directive (MiFID). The page expands on the current MiFID offerings in the EU Legislative Issues section by pulling together a number of relevant MiFID resources for MFA members and the general public.

These resources include MFA comment letters, blog commentary, and links to relevant regulatory information. Additionally, the new page also offers a number of outside resources, including industry thought leadership pieces, multimedia posts, recent news stories, and official EU documents related to MiFID. The new page offers a comprehensive look at MiFID as it enters its next phase of development and implementation and it will be updated frequently.

[View the new comprehensive MiFID page and resources on MFA's website.](#)

## **MFA and AIMA Submit Comments to CFTC on Swap Data Reporting Rules:**

MFA and AIMA submitted a joint comment letter to the Commodity Futures Trading Commission (CFTC) on its swap data reporting rules. In the letter, MFA and AIMA responded to particular questions in the CFTC's comment release to assist the CFTC in improving and refining the swap data reporting regime for the following reporting issues: confirmation data; valuation data; reporting party status change; bespoke swaps; package transactions; reporting collateral information for consistency with EU rules; and alpha swap reporting of any swap that is executed with the intention to be cleared.

[View the comment letter to the CFTC online here.](#)

## **SEC Chair Mary Jo White Unveils Market Structure Initiatives:**

Securities and Exchange Commission (SEC) Chair Mary Jo White unveiled a set of initiatives designed to address market structure issues, including high frequency trading. Chair White said the new rules, which will be developed by SEC staff and require a vote by the Commission, will help the market "operate openly, fairly, and efficiently to benefit investors and promote capital formation."

One of the proposals that Chair White discussed is a rule "that would require high frequency traders to register with regulators as broker dealers," reported the *Wall Street Journal*. She noted also that the SEC will investigate concerns about fairness and resiliency of market data feeds, as well as working closely with exchanges to minimize speed differences between public data feeds and direct feeds used by high frequency traders.

Chair White further outlined proposals on disclosures by dark pools. She said "the SEC will work with...the Financial Industry Regulatory Authority, to expand disclosures by dark pools and other venues where traders swap stocks away from public exchanges," the *Wall Street Journal* reported.

[Read the full text of Chair White's remarks here.](#)

[Read the \*Wall Street Journal\* article here.](#)

## **CFTC Chairman, Commissioners Confirmed; New CFTC Director of Enforcement Named:**

The U.S. Senate confirmed the nominations of Timothy G. Massad as the new Chairman of the Commodity Futures Commission (CFTC), as well as Sharon Y. Bowen and J. Christopher Giancarlo to be Commissioners. Prior to his nomination, Chairman Massad served as the Assistant Secretary for Financial Stability at the U.S. Department of the Treasury, where he oversaw the Troubled Asset Relief Program. Commissioner Bowen was a partner at Latham & Watkins LLP., and Commissioner Giancarlo most recently served as Executive Vice President at GFI Group. All three have been sworn in.

Shortly after being sworn in, Chairman Massad named Aitan Goelman to be CFTC Director of Enforcement. In announcing the appointment, Chairman Massad noted that, "Aitan brings valuable experience in government and private practice, as well as a strong commitment to public service." Mr. Goelman joins the CFTC from the law firm Zuckerman Spaeder LLP, where he has been a litigation partner. He previously served in the Department of Justice and as an Assistant U. S. Attorney in the Southern District of New York.

[Read more about the new CFTC Chairman and Commissioners.](#)

[Read more about the new CFTC Director of Enforcement.](#)

## **MFA Introduces New Distressed Debt Infographic:**

MFA's latest infographic explains the basics of distressed debt investing, delving into topics such as who invests and why it is a compelling investment space for fund managers. The infographic adds to MFA's online educational library that explains various aspects of the global hedge fund industry.

The infographic provides easy to understand visual depictions of how distressed debt investing works and explains how these investors often work alongside financially distressed companies to ensure a successful restructuring or bankruptcy proceeding. The infographic illustrates how distressed debt investments can help provide a number of positive results, including increased liquidity, a positive impact on overall company value, a higher degree of debt recovery, and relief of financial constraints.

[View the infographic on MFA's SlideShare profile here.](#)

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