

## INVESTMENT COMPANIES

### Our Clients

The Investment Companies group of Katten's Financial Services practice draws on the attorneys' experience in the evolving regulatory and complex operating environments of all types of investment companies registered under the Investment Company Act of 1940.

Our approach emphasizes enhancing a registered fund's public reputation through the provision of timely and sophisticated legal advice without impeding the fund's ability to achieve its performance goals. We have served as fund counsel and as counsel to independent directors, board committees, investment advisers and sub-advisers of registered funds and broker-dealers serving as fund distributors and underwriters. We also act as sponsor's counsel for unit investment trusts and as counsel to exchange-traded funds (ETFs). Our fund clients include open-end mutual funds and exchange-listed and over-the-counter closed-end funds utilizing a variety of equity and fixed-income strategies as well as business development companies, variable life insurance and annuity products and their providers.

### Our Services

In our registered fund engagements, we have handled the types of matters below.

- Design of fund products
- Formation of fund entities and Securities and Exchange Commission (SEC) and state registration
- Negotiation and documentation of all required contracts, including adviser, distributor/underwriter and service provider agreements and other contracts, such as financial index licenses
- Fund tax compliance, including Subchapter M tax issues, state tax issues, tax-exempt bond fund considerations, hub and spoke and master-feeder structures, and preferential dividend issues
- Periodic reports to shareholders and SEC filings
- Review of advertising and marketing materials, including Financial Industry Regulatory Authority (FINRA) compliance
- Analysis of legal issues raised in connection with novel or complex financial investments
- Portfolio investment pricing/valuation, allocation and trading issues
- Advising on conflict of interest transactions, including changes in adviser compensation, fund mergers and acquisitions, and conversion of closed-end funds to open-end funds
- Requests for SEC no-action, interpretive and exemptive relief
- Participation in client meetings with the staff of the SEC's Division of Investment Management
- Preparation and formal submission of client comments in response to SEC rule proposals and concept releases
- Structuring of transactions and entities to avoid registration and regulation as investment companies under the 1940 Act
- Board, committee and shareholder meetings

- Documentation of codes of ethics and compliance policies and procedures

We assist fund clients in preparing for and responding to SEC examinations and inspections. In addition, we have extensive experience in a full range of litigation matters that arise in connection with investment management and financial services, including civil actions in court and arbitration proceedings, SEC, Commodity Futures Trading Commission (CFTC), Department of Labor (DOL) and self-regulatory organization (SRO) investigations, administrative and injunctive proceedings, and state and federal criminal proceedings.

We also have extensive experience in conducting mock SEC inspections and compliance regime reviews of investment companies as well as other SEC- and CFTC-regulated entities. These engagements have involved the compliance reviews of financial services industry firms with large investment company registered investment adviser operations and broker-dealer operations. These reviews resulted from a variety of circumstances, including voluntary requests from fund boards and advisers and appointments as compliance consultants by federal monitors established pursuant to SEC enforcement action settlements.

