

ICI Statement on Financial Stability Board Consultation to Examine Investment Funds and Asset Managers

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Washington, DC, March 4, 2015—ICI President and CEO Paul Schott Stevens made the following statement in response to the Financial Stability Board's *second consultation* on a methodology to assess investment funds and asset managers for possible designation as global systemically important financial institutions (G-SIFIs).

“Regrettably, the FSB’s latest G-SIFI consultation appears to take a giant step backward. The FSB appears to have discounted key aspects of the extensive record placed before it.

“In response to its first consultation, the FSB received thorough and thoughtful comments demonstrating that the existing regulation and defining characteristics of regulated U.S. stock and bond funds, as well as their historical experience, make G-SIFI designation for these funds unnecessary and inappropriate. Yet the latest consultation:

- continues to single out large, highly regulated U.S. funds as candidates for potential designation;
- retains its undue emphasis on the size of a fund, potentially at the same threshold (US\$100 billion in assets under management); and
- adds criteria to sweep large asset managers into the designation net—again appearing to target large U.S. firms.

“As explained in our April 2014 [comment letter](#) to the FSB, G-SIFI designation of regulated funds would harm these funds, their investors, the overall fund marketplace, and fund investing and capital markets at large.”

ICI will file a comment letter on the FSB consultation by the May 29, 2015 deadline. Please visit ICI's [Financial Stability Resource Center](#) for more information on this issue.
