This is your Release #5 (May 2015)

Hedge Fund Regulation

Second Edition

by Scott J. Lederman

(Grosvenor Capital Management L.P.)

This fifth release to *Hedge Fund Regulation, Second Edition* updates the treatise with the latest considerations that must be addressed in structuring, launching, and operating a hedge fund. Highlights of Release #5 include:

- **Chapter 11, Regulation of Registered Investment Companies.** Expanded discussion of regulatory considerations relating to the operation of registered investment companies pursuing alternative investment strategies and areas of particular concern to the SEC.
- **Chapter 18, Commodity Pool Operators and Commodity Trading Advisers.** Update for CFTC’s Division of Swap Dealer and Intermediary Oversight’s no-action relief from CTA registration for family offices.
- **Chapter 20, Banks.** Update on recent FAQ regarding the “SOTUS” exemption under the Volcker Rule clarifying that the exemption is available to foreign banks that passively invest in covered funds offered or sold to U.S. residents.
- **Chapter 21, Insurance Companies.** Expanded discussion of the NAIC’s risk based capital system, and a review of the Volcker Rule provisions pertaining to hedge fund investing by banking entities that are insurance companies or an affiliates of insurance companies.
- **Chapter 24, Disclosures of Market Participation.** Update of Hart-Scott-Rodino antitrust thresholds.
- **Chapter 25, Systemic Risk Regulation.** Review of the growing systemic risk scrutiny by FSOC and other regulators of the asset management industry.

(continued on reverse)
• **Chapter 26, Derivatives Markets Participants.** Expanded discussion of CFTC margin rules and proposed SEC recordkeeping and reporting requirements, as well as of a CFTC Staff Advisory regarding CCO annual reports.

• **Chapter 27, Trading.** Discussion of the Second Circuit’s *U.S. v. Newman* decision and its implications for insider trading cases, as well as the addition of **new section 27:5**, discussing manipulation under both federal securities laws and Commodity Exchange Act.

• In addition, the **Index** has also been updated.

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FILING INSTRUCTIONS

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Practising Law Institute
1177 Avenue of the Americas
New York, NY 10036
#132119