

Briefing Note

10/10/2012

AFME Equity Capital Markets Division: Briefing Note Regarding European Funds – Compliance with the US Investment Company Act of 1940

Abstract

European funds frequently are publicly listed on European stock exchanges and raise capital through equity offerings. If these shares are offered to US institutional investors, consideration needs to be given to the application of restrictions found in the US Investment Company Act of 1940 (the '40 Act). Sometimes there also are '40 Act considerations that affect the equity offerings of European operating companies that are deemed to be investment companies. AFME and members of the London legal community formed a working group to provide input on European market practice with respect to application of the '40 Act to non-US companies going public in Europe. A Briefing Note on the AFME-commissioned survey and its findings with respect to these funds can be found via this [link](#), which may be of interest for advisors or issuers considering similar offerings.