



Independent Trustee Counsel

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Independent trustees serve in a complex role, overseeing the management and operations of investment companies and helping to ensure that the funds are managed by their investment advisers in the best interests of fund shareholders. The role presents a wide range of challenges that vary over time, from evaluating proposed strategy changes to dealing with organizational or operational changes at the investment adviser. Board materials typically are voluminous, full of detail – and, at times, of jargon. Investment companies are highly regulated, and fund boards can be scrutinized. Board governance can present its own challenges and complexities. We have the experience and skills to help independent trustees navigate all these areas.

Experience

Stradley Ronon's investment management lawyers have been serving as independent legal counsel to independent trustees for decades. The breadth and variety of the investment funds that our independent trustee clients oversee have provided us with experience, skills and a naturally collaborative approach to problem-solving. We support the independent trustees of open-end retail funds, closed-end funds, mutual funds of variable insurance products, ETFs and more. We help our independent trustee clients obtain outcomes that fulfill their fiduciary duties while preserving a productive relationship with fund management.

Our Technical Skill & Business Acuity

We are known for our lawyers' technical abilities and business acuity, which we routinely bring to bear in advising our independent trustee clients. Such

abilities and acuity stem from our significant experience advising fund investment advisers and serving as fund counsel. As a simple example, lawyers who routinely draft, review and interpret fund compliance policies and procedures are able to give independent trustees practical advice about these procedures.

Oversight Techniques

We have special expertise in the development and execution of board oversight techniques for today's evolving markets. This includes the increased use of ESG, liquid alternatives funds, ETFs and more. Our broad client base allows us to tailor our approach, recognizing that one size does not fit all.

Board Governance

Our lawyers have deep experience assisting boards with a wide range of governance issues such as retirement policies, trustee transitions, term limits, expense policies, deferred compensation plans, etc.

A Collaborative Approach to Fund Management

We help our independent trustee clients collaborate productively with management, helping to ensure that the decision-making by the independent trustees retains the full protection of the business judgment rule.

SEC Inquiries, Investigations & Securities Enforcement Matters

We work closely with our securities enforcement group to assist independent trustees in connection with SEC matters. Our securities enforcement lawyers have extensive experience with respect to SEC inquiries, investigations and examinations relating

to various transactions and activities of fund investment advisers. For example, we have represented independent trustees in class action litigation alleging improper revenue sharing and breach of fiduciary duties. We have prepared independent trustees for interviews with SEC staff concerning fund securities lending practices and alternative investment strategies. Our lawyers also have experience conducting internal investigations at the direction of independent trustees.

Insurance Needs

Stradley Ronon attorneys are experienced at assisting independent trustees in evaluating their insurance needs, the adequacy of their existing coverage and indemnity arrangements. Attorneys in our insurance group regularly assist our investment management group in the review of independent director liability and fund director & officer/errors & omissions insurance policies to help make sure that coverage is appropriate and that the policies contain the best terms in the industry. We closely track legal developments that might affect fund and director coverages, such as the recent spate of private litigation relating to sub-advisory fees.

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About Stradley Ronon

For more than 95 years, Stradley Ronon has helped private and public companies – from small businesses to Fortune 500 corporations – achieve their goals. With nine offices and more than 200 attorneys, Stradley Ronon is proud to help companies manage their legal challenges and grow their businesses.

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