



Independent Trustee Counsel

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**STRADLEY
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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 the funds and their shareholders. The role presents a wide range of challenges that vary over time, from evaluating proposed product strategy changes to dealing with organizational or operational changes at the investment adviser. Investment companies are highly regulated, fund boards can be scrutinized, and board governance can present its own challenges and complexities.

Our Technical Skill and Business Acuity

As one of only three firms with a Tier 1 ranking for registered funds nationwide by *Chambers USA*, we are known for our technical abilities, deep wealth of experience and business acuity, which we routinely bring to bear in advising our independent trustee clients. Stradley Ronon has been serving as independent legal counsel to independent trustees for decades, and we represent the independent trustees of boards of more than 70 fund groups. The breadth and variety of the investment funds that our independent trustee clients oversee — including open-end retail funds, closed-end funds, mutual funds of variable insurance products, exchange-traded funds (ETFs), money market funds and more — allows us to implement a comprehensive, well-informed approach to help clients fulfill

their regulatory obligations, including navigating the annual management agreement renewal process, valuation and oversight of derivatives and liquidity risk management programs, and their fiduciary duties while preserving a productive relationship with fund management.

Board Governance

Our lawyers are well-versed in assisting boards with a wide range of governance issues such as audit committee responsibilities, activist defense, board unification, retirement policies, trustee transitions, term limits, expense policies, fund reorganizations, investment management agreement renewals and deferred compensation plans.

A Collaborative Approach to Fund Management

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

SEC Inquiries, Investigations and Securities Enforcement Matters

Our independent trustee counsel work closely with our securities enforcement practice to assist independent trustees in connection with U.S. Securities and Exchange Commission (SEC) matters such as inquiries, investigations and examinations relating to various transactions and activities of fund investment advisers. We have

represented independent trustees facing SEC enforcement action under the liquidity rule as well as in class action litigation alleging improper revenue sharing and breach of fiduciary duties. We also have prepared independent trustees for interviews with SEC staff concerning fund securities lending practices and alternative investment strategies. Further, we have experience conducting internal investigations at the direction of independent trustees.

Insurance Needs

We assist independent trustees in evaluating their insurance needs, the adequacy of their existing coverage and indemnity arrangements. Lawyers in our insurance practice regularly assist our investment management team in the review of independent director liability and fund directors and officers (D&O)/ errors and omissions (E&O) insurance policies to help ensure that coverage is appropriate and that the policies contain the best terms in the industry.

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For more information on our *Independent Trustee Counsel* practice, visit www.stradley.com/independent-trustee-counsel.

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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