

ICI Comments on Financial Stability Oversight Council's Changes to Designation Process

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Washington, DC, February 5, 2015—*Investment Company Institute (ICI) President and CEO Paul Schott Stevens made the following statement today on the [changes adopted February 4](#) by the Financial Stability Oversight Council (FSOC) on its processes for designating non-bank financial institutions as systemically important:*

“We welcome the Council’s actions to increase communications and interaction with firms that are under review for potential designation as systemically important financial institutions (SIFIs). We hope these changes will lead to a better process in which firms and other interested parties can engage with and inform the FSOC’s members.

“The FSOC’s actions did not, however, address significant concerns about the Council’s designations. In particular, they do not create a process that would reduce potential threats to the financial system by allowing a company or its primary regulator to address identified risks before designation.

“We also believe that significant changes to the FSOC’s designation process should be codified—not issued as non-binding guidance that the FSOC can change at any time.

“We will continue to work with the Council and other policymakers to bring data and experience to bear in discussions of financial stability, particularly as those discussions relate to regulated funds and their managers. In that regard, we thank the Council for granting our request for a 30-day extension for comments on its request for information on asset management.”