



ILPA EXPRESSES CONCERN OVER HOUSE PASSAGE OF FINANCIAL CHOICE ACT, URGES SENATE TO CONSIDER CRITICAL ROLE OF SEC OVERSIGHT OF PE INDUSTRY

92 Percent of ILPA Members Believe PE Industry Should Be Regulated Ongoing

June 8, 2017 – (Washington, DC) – The Institutional Limited Partners Association (ILPA) today expressed concern over the House of Representatives passage of H.R. 10, the Financial CHOICE Act of 2017, (233 to 186) due to provisions in the legislation that eliminate Securities and Exchange Commission (SEC) oversight of the private equity industry. The ILPA most recently sent a [letter to the House of Representatives Financial Services Committee](#) in opposition to the CHOICE Act, asserting that the provisions will hurt limited partners (LPs) and their beneficiaries by removing regulatory safeguards that have successfully enforced transparency and ensured compliance with mandatory reporting procedures while allowing the private equity industry to continue to thrive.

“We are disappointed that the House of Representatives passed legislation that eliminates a regulatory structure that has been extremely beneficial to fostering transparency, disclosure and sound governance within the private equity industry,” said Peter Freire, CEO of the ILPA. “We urge the Senate to consider the consequences of moving the CHOICE Act as currently written forward, with these harmful provisions included.”

In a March 2017 survey of its membership, the ILPA confirmed that limited partners remain in strong favor of SEC registration and oversight of the PE industry with 92% of respondents indicating that such regulations should continue. These institutional investors indicated further that the SEC provides additional assurances and protections which would otherwise be difficult or impossible to obtain.

“Our comfort in investing in PE as a class is enhanced by SEC oversight, review and investigations,” commented one LP respondent in the ILPA survey. “We are dismayed at the prospect of the SEC oversight function being diminished.”

The ILPA’s membership is comprised of more than 400 institutional investor organizations and 3500 limited partner professionals around the globe. These investors are the primary source of private equity capital and represent millions of beneficiaries including retirees, teachers, first responders, universities, charitable and research foundations and insurance policy holders. The ILPA remains committed to ensuring that all who have benefited from the oversight and transparency that SEC registration and enforcement has provided will continue to do so.

About The ILPA

The [ILPA](#) engages, empowers and connects limited partners to maximize their performance on an individual, institutional and collective basis. With more than 400 member institutions representing over US\$1 trillion of

invested capital, the ILPA is the only global organization dedicated exclusively to advancing the interests of LPs and their beneficiaries through best-in-class education, research, advocacy and networking.

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