

MEMORANDUM

TO: Proposed Rule: Use of Derivatives by Registered Investment Companies and Business Development Companies
(Release No. IC-31933; File No. S7-24-15)

FROM: Asaf Barouk
Attorney Advisor, Division of Investment Management

RE: Meeting with Representatives of Direxion Funds/Rafferty Asset Management, LLC

DATE: June 3, 2019

On June 3, 2019, Dalia Blass (Director, Division of Investment Management (“IM”)), Brian M. Johnson (Assistant Director, IM); Thoreau A. Bartmann (Senior Special Counsel, IM), Penelope W. Saltzman (Senior Special Counsel, IM), Amanda Wagner (Branch Chief, IM), John Lee (Senior Counsel, IM), Sirimal Mukerjee (Senior Counsel, IM), Asen Parachkevov (Senior Counsel, IM), Asaf Barouk (Attorney Advisor, IM), Dennis Sullivan (Contractor, IM), Alexander Schiller (Financial Economist, DERA), and Mi Wu (Financial Economist, DERA), met with the following representatives of Direxion Funds/Rafferty Asset Management, LLC:

- Robert Nestor, President, Direxion Funds/Rafferty Asset Management, LLC;
- Angela Brickl, General Counsel and Chief Compliance Officer, Direxion Funds/Rafferty Asset Management, LLC;
- Daniel O’Neill, CEO and CIO of Direxion Funds and Managing Director of Rafferty Asset Management, LLC;
- Robert J. Zutz, Partner, K&L Gates, LLP; and
- Stacy L. Fuller, Partner, K&L Gates, LLP.

Among other things, the participants discussed the SEC’s proposal relating to the use of derivatives by registered investment companies and business development companies.