

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: Sirimal R. Mukerjee
Senior Counsel, Division of Investment Management

RE: Meeting with Representatives of Direxion Investments (“Direxion”)

DATE: March 11, 2016

On March 11, 2016, Diane C. Blizzard (Associate Director, U.S. Securities and Exchange Commission (“SEC”), Division of Investment Management (“IM”)), Dalia Blass (Assistant Chief Counsel, IM), W. Danforth Townley (Attorney Fellow, IM), Sarah Cortes (Senior Special Counsel, IM), Brian McLaughlin Johnson (Senior Special Counsel, IM), Barry Pershkov (Senior Special Counsel, IM), Thoreau A. Bartmann (Branch Chief, IM), Sirimal R. Mukerjee (Senior Counsel, IM), John Cook (Attorney, Division of Economic and Risk Analysis (“DERA”)), Yue Tang (Economist, DERA) and Jae Hyun Choe (Economist, DERA) met with the following representatives of, and counsel for, Direxion:

- Daniel O’Neill, Chief Executive Officer, Direxion
- Angela Brickl, General Counsel and Chief Compliance Officer, Direxion
- Jon Eisenberg, Partner, K&L Gates LLP (“K&L”)
- Stacy L. Fuller, Partner, K&L
- Robert A. Wittie, Partner, K&L
- Robert J. Zutz, Partner, K&L

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