January 13, 2016

Submitted electronically

Mr. Brent J. Fields, Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: **Open-End Fund Liquidity Risk Management Programs (File No. S7-16-15)**

Dear Mr. Fields:

I am writing as the Chief Investment Officer and Co-portfolio manager at International Value Advisers, LLC. We appreciate the opportunity to provide comments to the Securities and Exchange Commission (the "Commission") on its recent proposal regarding *Liquidity Risk Management Programs*, and we welcome the Commission's attempt to promote effective liquidity risk management practices.

I. Portfolio-Based Liquidity Risk Management Approach Would Accomplish the Commission's Goals

The need seems to have increased, significantly, over the past few years, as new mutual funds ("Funds") have launched/been sold to the public especially Active Liquid Alternatives, specialized-ETFs**,** Funds that invest in emerging markets, high-yield ETF Funds, etc. and all this at a time when market-making in fixed income markets appears to have dried-up, considerably from the past.

In today's environment, we believe Fund Boards should **(i)** focus on liquidity-risk more than ever and **(ii)** increase their general knowledge and awareness of liquidity-risk.

As a result, we would like to suggest that the Commission considers requiring Fund boards to adopt and implement a liquidity risk program, reasonably designed to routinely assess the overall liquidity of the Fund.

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We would welcome the implementation of the minimum three-day liquidity rule, where liquidity would be defined as **(i)** commercial paper **(ii)** treasuries **(iii)** a portion of a portfolio's equities, bonds or other securities that a Fund believes it could liquidate in three days or less.

Having said that, for purposes of the proposed three-day liquidity rule, we would suggest that the Commission considers imposing a standardized-methodology to assess both stock and bond-liquidity in all Funds.

II. Classification of the Liquidity of Each Asset may be challenging

We believe the six bucket liquidity classification framework may be difficult to implement and may have unintended consequences, at the expense of shareholders and therefore feel the rule as proposed is not correct.

In closing, after over thirty years in the asset management industry, we at International Value Advisers welcome the discussion on liquidity and feel that a variation on the three-day liquidity rule will serve the investing public well.

Thank you for the opportunity to comment.

Yours sincerely,

Charles de Vaulx,
Chief Investment Officer and Co-Portfolio Manager