

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 9589 \ May 19, 2014

In the Matter of

**Certain Current Funds, Third Party Issuers
and Portfolio Companies affiliated with
Credit Suisse AG**

Respondent.

**ORDER UNDER RULE 506(d) OF THE
SECURITIES ACT OF 1933 GRANTING
A WAIVER OF THE RULE 506(d)(1)(i)
DISQUALIFICATION PROVISION**

I.

Certain current funds (comprised of any fund or other investment vehicle which, as of the date of the letter requesting relief, relies on a Regulation D private placement exemption and which is managed, advised, or sub-advised by Credit Suisse Asset Management, LLC (“CSAM”) Credit Suisse Securities (USA) LLC (“CSSU”), Credit Suisse Asset Management Limited, Credit Suisse Hedging-Griffo Servicos Internacionais S.A., or Aventicum Capital Management Holding AG and its subsidiaries), certain third party issuers (comprised of any issuer as to which CSAG is, as of the date of the letter requesting relief, directly or indirectly, the beneficial owner of 20% or more but less than 50% of the issuer’s outstanding voting equity securities, calculated on the basis of voting power), and certain portfolio companies (comprised of any portfolio company of any fund or investment vehicle managed, advised, or sub-advised by CSAM, CSSU or any other subsidiary of CSAG as to which CSAG thereby is, as of the date of the letter requesting relief, directly or indirectly, the beneficial owner of 20% or more of the issuer’s outstanding voting equity securities, calculated on the basis of voting power) (collectively, the “Applicants”) have submitted a letter, dated May 19, 2014, requesting a waiver of the Rule 506(d)(1)(i) disqualification from relying on the exemption under Regulation D from the registration requirements under the Securities Act of 1933 (the “Securities Act”) arising out of a guilty plea entered on May 19, 2014 by Credit Suisse AG (“CSAG”) in the U.S. District Court for the Eastern District of Virginia (“District Court”) in connection with a plea agreement between CSAG and the U.S. Department of Justice (“DOJ”).

II.

On May 19, 2014, the DOJ filed a one-count criminal information (the “Information”) in the District Court charging CSAG with conspiracy to commit tax fraud related to accounts CSAG established for cross-border clients in violation of Title 18, United States Code, Section 371. CSAG has agreed to resolve the action brought by DOJ through a plea agreement dated May 19, 2014 (the “Plea Agreement”). Under the Plea Agreement, CSAG pleaded guilty to the charge set out in the Information (the “Guilty Plea”). The Applicants expect that the

District Court will enter a judgment against CSAG that will require remedies that are materially the same as set forth in the Plea Agreement. Pursuant to the Plea Agreement, CSAG agreed to comply with the undertakings described in the application and to pay substantial criminal penalties and restitution.

III.

The exemption under Rule 506 of Regulation D under the Securities Act is unavailable for the securities of an issuer if any of a number of specified persons “has been convicted, within ten years before such sale (or five years, in the case of issuers, their predecessors and affiliated issuers), of any felony or misdemeanor: . . . arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.” 17 CFR § 230.506(d)(1)(i). Rule 506(d)(2) of Regulation D under the Securities Act provides, however, that the disqualification “shall not apply . . . upon a showing of good cause and without prejudice to any other action by the Commission, if the Commission determines that it is not necessary under the circumstances that an exemption be denied.” 17 CFR § 230.506(d)(2).

IV.

Based upon the representations set forth in the Applicants’ request, the Commission has determined that pursuant to Rule 506(d) under the Securities Act a showing of good cause has been made that it is not necessary under the circumstances that the exemption be denied as a result of the Guilty Plea.

Accordingly, **IT IS ORDERED**, pursuant to Rule 506(d) under the Securities Act, that a limited waiver, as described above, from the application of the disqualification provision of Rule 506(d)(1)(i) under the Securities Act resulting from the Guilty Plea is hereby granted to the Applicants.

By the Commission.

Kevin M. O’Neill
Deputy Secretary