Exchange-traded product sponsors entering uncharted legal territory engage Eversheds Sutherland attorneys to help chart the course to maximum profit potential.

Significant changes to financial services regulation have allowed for the increased development and growth of exchange-traded funds (ETFs). The same goes for related products, such as exchange-traded notes (ETNs) as well as physical and financial commodities-based exchange-traded vehicles (ETVs). Every day seems to present new offerings and structures. Eversheds Sutherland guides exchange-traded product sponsors through complex and uncharted legal territory to find creative solutions that help clients bring novel products to market in an efficient and timely manner, while also maximizing profit potential.

Our highly-regarded practice advises clients in developing, launching and operating ETFs, ETNs and ETVs. Our clients include a commodity pool operator who developed and operates one of the first exchange-traded commodity pools investing primarily in energy-based futures contracts and swaps. We advised other clients on the development of ETFs to invest in cleared and uncleared credit default swaps, on leveraged and inverse leveraged commodity ETVs, as well as commodity-index ETVs, and on ETFs that invest in U.S. Treasury securities and foreign currencies. Each of these clients is, in its own way, breaking new ground and each requires innovative legal solutions to newly uncovered issues.

Not only do our clients benefit from the knowledge and strength of our ETF team, they can also draw on the relevant experience of our other practices. Eversheds Sutherland attorneys are leaders in the field of federal securities law, are on top of the latest developments in the rapidly expanding derivatives arena, grasp the implications of intellectual property law on ETFs, and the effects of federal and state taxes for ETF and related financial products.

**Why Eversheds Sutherland**

**Full-spectrum ETF experience.** Eversheds Sutherland's attorneys advise clients on legal matters pertaining to the formation, registration, operation, distribution and restructuring of ETFs and other exchange-traded products.
Dodd-Frank focus. Eversheds Sutherland lawyers are well-versed with the new requirements’ impact on collective investment entities and derivatives users under the Dodd-Frank Act.

Product launches and investment management. We counsel our clients on structuring and launching a new investment product as well as aiding them in effective management of existing ETFs. This includes compliance, industry and regulatory developments, distributions, derivatives and tax issues.

Board counsel. We serve as independent counsel to the independent directors or trustees of several mutual fund and BDC groups offering guidance about a variety of issues confronting directors or trustees.

Regulatory defense. Our team regularly represents clients confronted with investigations, enforcement actions and disciplinary proceedings brought by the CFTC, SEC and bank regulators. Our experience includes high-profile cases as well as more repetitive regulatory matters.

Intellectual property. In the financial sector, our intellectual property attorneys work closely with our Corporate Practice Group in preparing patent applications for ETF/ETV products and trading tools that currently exist in the marketplace.

Taxes and ETFs. Eversheds Sutherland has a nationally recognized tax practice with attorneys who advise on virtually every area of federal, state and local taxes.

Nuts and Bolts
Eversheds Sutherland is a member of the key organizations affecting the derivatives markets including:

- ETFs, ETNs, ETVs and other exchange-traded products
- Mutual funds
- Hedge funds
- Private equity funds
- Business development companies (BDCs)
- Securitization vehicles
- Separate accounts
- 529 plans
- Pension plans
- Commodity pool operators
- Commodity trading advisors
- Investment advisers
• Broker-dealers
• Plan administrators
• Transfer agents
• Real estate funds

We provide full coverage of investment management industry issues:

• Design and organization of investment vehicles and their sponsors
• Counseling on securities law, tax law and other matters
• Counseling boards of directors
• Disclosure documents and regulatory filings
• Defense of regulatory inquiries, investigations and enforcement actions
• Organization and regulation of distribution systems
• Design, production and evaluation (audit) of compliance systems
• Mergers and acquisitions

We maintain close contact with the all relevant regulators:

• Commodity Futures Trading Commission (CFTC)
• Financial Industry Regulatory Authority (FINRA)
• Industry associations
• Internal Revenue Service (IRS)
• Securities and Exchange Commission (SEC)
• State securities, tax and insurance regulators

Eversheds Sutherland is a member of the key organizations affecting the derivatives markets including:

• International Swaps and Derivatives Association, Inc. (ISDA) and its key committees
• Futures Industry Association (FIA)
• Managed Funds Association (MFA)
• Emerging Markets Trade Association (EMTA)
• Loan & Syndicated Trading Association (LSTA)
• Securities Industry & Financial Markets Association (SIFMA)
• American Bar Association’s Committee on Derivatives and Futures Law of the Business Law Section

**Take Action**

As the growth in exchange-traded funds, notes and vehicles continues, it’s vital that sponsors have access to highly sophisticated legal thinking about ETFs. Eversheds Sutherland attorneys are positioned on the cutting edge of developments in this segment of the investment world.
Experience
Represented major ETF sponsor in launch of innovative financial products.

Represented a series of energy, metal and agricultural ETFs.

Counseled exchange-traded commodity pools.