Committee on Legal Affairs

2011/0360(COD)

29.3.2012

AMENDMENTS
1

Draft opinion
Sebastian Valentin Bodu
(PE483.524v01-00)

amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings of collective investment in transferable securities (UCITS) and Directive 2011/61/EU on Alternative Investment Funds Managers in respect of the excessive reliance on credit ratings

Proposal for a directive
(COM(2011)0746 – C7-0419/2011 – 2011/0360(COD))

AM_Com_LegOpinion

Amendment 1
Evelyn Regner

Proposal for a directive
Recital 2

Text proposed by the Commission	*Amendment*
(2) An effect of the financial crisis has been that investors, including UCITS and AIFs, rely excessively on credit ratings to carry out their investments on debt instruments, without necessarily conducting their own assessments of the creditworthiness of issuers of such debt instruments. In order to improve the quality of the investments made by UCITS and AIFs and, therefore, to protect investors in those funds, it is appropriate to require the persons managing UCITS and AIFs to avoid relying exclusively and automatically on external credit ratings when assessing the risk involved in the investments made by the UCITS and AIFs they manage. The general principle ***on the avoidance of*** excessive reliance on external credit ratings ***should therefore be integrated into the risk management processes and systems of the managers of UCITS and AIFs, and adapted to their specificities***.	(2) An effect of the financial crisis has been that investors, including UCITS and AIFs, rely excessively on credit ratings to carry out their investments on debt instruments, without necessarily conducting their own assessments of the creditworthiness of issuers of such debt instruments. In order to improve the quality of the investments made by UCITS and AIFs and, therefore, to protect investors in those funds, it is appropriate to require the persons managing UCITS and AIFs to avoid relying exclusively and automatically on external credit ratings when assessing the risk involved in the investments made by the UCITS and AIFs they manage. ***The internal risk management processes and systems of the managers of UCITS and AIFs should therefore be upgraded and*** the general principle ***adopted of avoiding*** excessive reliance on external credit ratings

Or. de