

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 2627
OFFERED BY M . _____**

Page 1, after line 16 insert the following:

1 “(2) REQUIRED DUE DILIGENCE.—A closed-end
2 company shall not invest in a private fund unless the
3 board of the closed-end company reasonably deter-
4 mines through due diligence that such private fund
5 has self-imposed policies in place that are consistent
6 with the redemption, liquidity risk management, and
7 fair value requirements—

8 “(A) under this Act, including—

9 “(i) the requirements with respect to
10 redemption under section 22(e); and

11 “(ii) the requirements with respect to
12 fair value under section 2(a)(41); and

13 “(B) under regulations issued pursuant to
14 this Act, including—

15 “(i) the requirements with respect to
16 liquidity risk management under section
17 270.22e-4 of title 17, Code of Federal Reg-
18 ulations (or successor regulations); and

1 “(ii) the requirements with respect to
2 fair value under section 270.2a-5 of title
3 17, Code of Federal Regulations (or suc-
4 cessor regulations).”.

