

Stinson Corporate Finance Attorneys Examine Changing Compliance Requirements for Private Investment Funds in *The Texas Lawbook*

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Stinson LLP Partner [John Willding](#) and attorney [Donta Dismuke](#) authored an article for *The Texas Lawbook*, "Proposed Anti-Money Laundering Rules and Other Requirements: Has the SEC Exceeded Its Authority in Regulating Private Funds?"

The attorneys explore recent rulemaking initiated by the Securities and Exchange Commission (SEC) and the Financial Crimes Enforcement Network (FinCEN) of the U.S. Department of the Treasury that aims to deter money laundering, terrorist financing and other illicit activities. They also detail the impact of the proposed rulemaking and how it will change the landscape for private and venture capital fund work. "Taken in aggregate, these changes represent a new and more formalized regulatory wrapper for small funds, making compliance more prescriptive and resource-intensive," the attorneys write.

The attorneys also provide insight into [a recent Fifth Circuit decision](#) that ruled the SEC exceeded its authority in an earlier and similar rule that would have substantially increased private and venture capital fund adviser compliance and reporting requirements. The attorneys note that the proposed anti-money laundering rule is vulnerable to legal challenges due to the SEC using a broad interpretation of its authority as legal basis for the proposed rule. They say until the regulatory framework is fully settled, private fund advisers should continue to be mindful of the rapidly evolving legal landscape.

Dismuke focuses his practice on a range of corporate finance matters, including mergers and acquisitions, private equity, venture capital and corporate governance. He has experience assisting clients in various industries navigate complex buy-side and sell-side mergers and acquisitions, commercial transactions and general corporate matters.

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Willding has more than 20 years of corporate and securities experience, including significant experience advising boards of directors with respect to corporate governance and fiduciary duties. He frequently serves as lead counsel for buyers and sellers in mergers and acquisitions and assists clients with the establishment and operation of private equity funds. Willding also has extensive experience representing investment managers and their sponsors and advising real estate developers and their capital partners in the negotiation of joint venture agreements.

Sign in to *The Texas Lawbook* to [read the full article](#).

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