

UPDATES TO CUSTODY RULE FREQUENTLY ASKED QUESTIONS

The Division of Investment Management staff has updated the “Staff Responses to Questions About the Custody Rule” to provide additional guidance regarding specific questions relating to custody arising out of IM Guidance Update 2017-01 “Inadvertent Custody: Advisory Contract Versus Custodial Contract Authority” (February 2017).¹

The staff added the following FAQs to the “Definition of Custody; Scope of the Rule” section:

- Question II.11
- Question II.12

The updated FAQs may be found here:

https://www.sec.gov/divisions/investment/custody_faq_030510.htm.

Endnotes

- 1 Available at <https://www.sec.gov/investment/im-guidance-2017-01.pdf>.

IM Information Updates are recurring notices regarding the activities of the Division. The Division generally issues IM Information Updates to alert the public—including investors and industry participants—to key developments, such as updates to Frequently Asked Questions, technical improvements to SEC forms, and certain other staff actions. IM Information Updates may also explain administrative and procedural matters, such as how to most effectively communicate with the staff.

This IM Information Update does not constitute staff legal guidance and is not a rule, regulation, or statement of the Securities and Exchange Commission. The Commission has neither approved nor disapproved its content.

If you have any questions about the custody rule, please contact:

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