

2024 Investment Adviser Compliance Conference

MARCH 6-8 / WASHINGTON, DC

EFFECTIVE STRATEGIES & BEST PRACTICES

IAA

Safeguarding/Custody

David Bartels / Dechert LLP

Samuel Thomas / SEC Division of Investment Management

Zephram Yowell / PIMCO

Laura Grossman / Investment Adviser Association (MODERATOR)

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Current Challenges

Enforcement cases

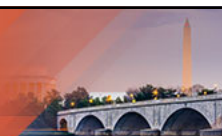
Examinations

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Proposed Safeguarding Rule

Expanded Scope of the Rule

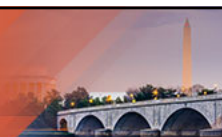
- Expansion to “assets” from “funds and securities”
- Discretionary trading authority triggers the rule

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Proposed Safeguarding Rule (continued)

Qualified Custodian Requirements

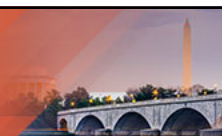
- Possession and Control Requirement
- QC contract requirements and reasonable assurances

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Proposed Safeguarding Rule (continued)

Exceptions to QC Requirements

- Privately Offered Securities/Physical Assets
- Discretionary Trading authority over DVP assets

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Proposed Safeguarding Rule (continued)

Miscellaneous

- Recordkeeping
- ADV updates

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Proposed Safeguarding Rule

Industry perspectives

- Institutional
- Retail
- Multiple business lines
- Smaller advisers

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Takeaways

Rulemaking status

Issues to be determined

Potential impacts

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