

**MEMO# 32567**

June 29, 2020

# **Updated SEC Relief for Transfer Agents; Newly Issued Relief Related to Temporary International Mail Service Suspensions**

[32567]

June 29, 2020 TO: ICI Members SUBJECTS: Abandoned Property and Escheatment  
COVID-19

Transfer Agency RE: Updated SEC Relief for Transfer Agents; Newly Issued Relief Related to  
Temporary International Mail Service Suspensions

The Commission and staff recently provided several updates on existing temporary relief relevant to transfers agents and other regulated persons whose operations may be affected by COVID-19 (“transfer agents”) as well as relief related to temporary international mail service suspensions.[\[1\]](#) These developments are summarized below.

## **Statement on Accommodation on Authentication and Retention Requirements of Rule 302(b) of Regulation S-T**

The SEC’s Divisions of Corporation Finance, Investment Management, and Trading and Markets updated a joint staff statement from March 2020 concerning the authentication and document retention requirements under Rule 302(b) of Regulation S-T (specifically, the creation and retention of manual signatures in electronically filed documents).[\[2\]](#) The statement states that in light of COVID-19, the staff will not recommend the Commission take enforcement action with respect to Rule 302(b) if

- A signatory retains a manually signed signature page or other document authenticating, acknowledging, or otherwise adopting his or her signature that appears in typed form with the electronic filing and provides such document as promptly as reasonably practicable, to the filer for retention in the ordinary course pursuant to Rule 302(b);
- Such document indicates the date and time when the signature was executed; and
- The filer establishes and maintains policies and procedures governing this process.

Given that social distancing and other COVID-19-related effects continue, this statement has been updated to note that it will remain in effect until a date specified in a public

notice, which date will be at least two weeks from the date of the notice.

## **Exemptive Relief for Transfer Agents**

On June 26, the SEC announced a second extension of the temporary conditional regulatory relief for transfer agents whose operations may be affected by COVID-19.[\[3\]](#) The new order further extends the relief, including the associated conditions, with respect to:

- Recordkeeping, reporting, and processing time requirements applicable to transfer agents under section 17A of the Exchange Act and Rules 17Ad-1 through 17Ad-11, 17Ad-13 through 17Ad-20, and 17f-1; and
- Fingerprinting requirements applicable to transfer agents and other persons under Exchange Act section 17(f)(2) and Rule 17f-2.

The SEC extended this relief until a date to be specified in a public notice from Commission staff, which date will be at least two weeks from the date of the notice. Transfer agents, however, at all times continue to be subject to the requirements of Exchange Act Rule 17Ad-12, which requires transfer agents to ensure that they adequately safeguard securities and funds in their possession or custody.

## **Newly-Issued Staff Relief Related to Temporary International Mail Service Suspensions**

On June 26, the Divisions of Investment Management and Trading and Markets issued a joint staff statement regarding the requirements under the federal securities laws to mail certain regulatory communications to shareholders, clients and customers who have not consented to electronic delivery and who have mailing addresses in international jurisdictions where common carriers have suspended mail service.[\[4\]](#) The statement provides that the Divisions' staff will not recommend enforcement action, subject to certain conditions, if a delivering entity uses reasonable best efforts to

- Notify a recipient that it is (i) holding written confirmations or alternative periodic reporting required by Exchange Act Rule 10b-10 and written statements with respect to free credit balances required pursuant to Exchange Act Rule 15c3-3(j)(1) and (ii) obtain consent for their electronic delivery; and
- Timely deliver electronically mailings other than written confirmations or alternative periodic reporting required by Exchange Act Rule 10b-10 and written statements with respect to free credit balances required pursuant to Exchange Act Rule 15c3-3(j)(1).

This statement expires on the date, as applicable to each specific affected international jurisdiction, that common carriers resume mail delivery.

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## endnotes

[1] The SEC provided notice of these measures in a recent comprehensive update on its regulatory relief efforts related to COVID-19. A summary of that update is provided in ICI [Memorandum No. 32566](#) (June 29, 2020).

[2] See Staff Statement Regarding Rule 302(b) of Regulation S-T in Light of COVID-19 Concerns (updated June 25, 2020), *available at* <https://www.sec.gov/corpfin/announcement/rule-302b-regulation-s-t-covid-19-update>. We previously provided a summary of this statement. See ICI Memorandum No. 32330, SEC Staff Statement Regarding Manual Signatures in SEC Filings in Light of COVID-19 Concerns, *available at* [https://www.ici.org/my\\_ici/memorandum/memo32330](https://www.ici.org/my_ici/memorandum/memo32330).

[3] Order Under Section 17A and Section 36 of the Securities Exchange Act of 1934 Extending Temporary Exemptions from Specified Provisions of the Exchange Act and Certain Rules Thereunder (June 26, 2020), *available at* <https://www.sec.gov/rules/exorders/2020/34-89170.pdf>. The first extension is set to expire on June 30, 2020. We previously provided a summary of the relief. See ICI Memorandum No. 32488, SEC Extends COVID-19-Related Exemptive Relief for Transfer Agents Through June 30, 2020 (May 28, 2020), *available at* [https://www.ici.org/my\\_ici/memorandum/memo32488](https://www.ici.org/my_ici/memorandum/memo32488).

[4] See Staff Statement Regarding Temporary International Mail Service Suspensions to Certain Jurisdictions Related to the COVID-19 Pandemic (modified June 24, 2020), *available at* <https://www.sec.gov/tm/temporary-international-mail-service-suspension>.