

MEMO# 24900

January 21, 2011

Reminder Of The Upcoming Compliance Dates For The SEC's Pay-To-Play Rule

[24900]

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TO: BANK, TRUST AND RECORDKEEPER ADVISORY COMMITTEE No. 7-11
BROKER/DEALER ASSOCIATE MEMBERS No. 1-11
CLOSED-END INVESTMENT COMPANY MEMBERS No. 8-11
COMPLIANCE MEMBERS No. 8-11
INVESTMENT ADVISER MEMBERS No. 3-11
MUNICIPAL SECURITIES ADVISORY COMMITTEE No. 2-11
SEC RULES MEMBERS No. 14-11
SMALL FUNDS MEMBERS No. 9-11 RE: REMINDER OF THE UPCOMING COMPLIANCE DATES
FOR THE SEC'S PAY-TO-PLAY RULE

This memorandum is to remind members of the upcoming compliance dates for the SEC's pay-to-play rule, which was adopted in July 2010. [\[1\]](#) Those advisers whose only clients are registered investment companies have until September 13, 2011 to comply with the entirety of the SEC's new rules. [\[2\]](#) With one exception, all other advisers, including those who have clients in addition to registered investment companies, must be in compliance with the totality of the rules as of March 14, 2011. The one exception relates to compliance with the provisions of Rule 204-2(18)(i)(B), which requires advisers to maintain a record of those government entities that are investors in any covered investment pool to which the adviser provides investment advisory services. All advisers have until September 13, 2011 to comply with this provision.

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endnotes

[1] See SEC Release No. IA-3043 (July 1, 2010), which is available at:
<http://www.sec.gov/rules/final/2010/ia-3043.pdf>.

[2] This includes the prohibitions in Rule 206(4)-5 as well as the recordkeeping requirements of Rule 204-2.

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