

COMMENT LETTER

March 16, 2023

ICI Comment Letter on Request for Extension to the Comment Period for Safeguarding Advisory Client Assets Proposed Rule

The undersigned Associations, which together represent a significant portion of the financial services industry, including banks of all sizes, global custodians, broker-dealers, investment funds, fund managers, alternative investments and registered investment advisers, respectfully request a 60-day extension to the comment period provided by the Securities and Exchange Commission to amend and redesignate rule 206(4)-2 under the Investment Advisers Act of 1940. The proposal would broaden the application of the current investment adviser custody rule, expanding its coverage from funds and securities to all client assets, amend the definition of qualified custodian, and make several other important changes.

The SEC issued the proposal on February 15, 2023, allowing a 60-day comment period from date of publication in the Federal Register. The proposal, however, is broad based, complex, and technical, proposing changes that will drastically and permanently alter the custody business model and the prevailing market for custody services.

Read more in the [comment letter](#).