



February 2017 SEC No-Action Letter Relating to Third-Party SLOAs

Pershing LLC (“Pershing”) makes the following representations related to the February 21, 2017, Securities and Exchange Commission (“SEC”) No-Action Letter regarding certain standing letters of authorization (SLOAs) or other similar asset transfer authorization arrangements. In these cases, Pershing’s process includes the following steps:

- The client provides an instruction to their introducing firm in writing that includes the client’s signature, the third party’s name, and either the third party’s address or the third party’s account number at a custodian to which the transfer should be directed. **(Conditions 1 and 2)**
- Pershing and/or the introducing firm performs appropriate verification of the instruction and Pershing provides a transfer of funds notice to the client promptly after each transfer. **(Condition 3)***
- The client has the ability to terminate or change the instruction to their introducing firm. **(Condition 4)**
- Unless the advisor requests otherwise, the advisor has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client’s instruction. **(Condition 5)**
- Please note that **Condition 6** must be met by the advisory firm, as it requires that firms maintain records showing that third party recipients are NOT related to their firm.
- Pershing sends the client, in writing, an initial notice* confirming the instruction and an annual notice reconfirming the instruction. **(Condition 7)**

*Your introducing firm must elect for certain investor notices to be sent.