Davis Polk

Investment Management Regulatory Update - May 2016

May 27, 2016 | Client Update

SEC Rules and Regulations

- SEC Proposes Higher Net Worth Threshold for Qualified Clients under the Advisers Act
- SEC Staff Grants No-Action Relief under Section 206(3) of the Advisers Act for Certain Purchases of Fractional Shares from Advisory Client Accounts by Advisers and Their Broker-Dealer Affiliates
- SEC Staff Grants No-Action Relief under the Custody Rule to Sub-Adviser for Not Obtaining Surprise Examination of Custodian Affiliate
- Incentive Compensation for Financial Institutions: Reproposal

Industry Update

- Financial Stability Oversight Council Releases Update on Review of Asset Management Products and Activities
- SEC Chair Mary Jo White Delivers Opening Remarks at the Compliance Outreach Program for Investment Companies and Investment Advisers

Litigation

- Second Circuit Rules that Criminal Liability for Violation of Section 206 of the Advisers Act Does Not Require Proof of Intent to Harm
- SEC Charges Accounting Firm with Conducting Deficient Surprise Exams

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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