

Visual Memorandum: SEC Adopts Regulation Best Interest, Form CRS and Related Advisers Act Interpretations

June 21, 2019 | Client Update

The SEC adopted its long-awaited Regulation Best Interest, establishing new standard of conduct regulations for SEC-registered broker-dealers and their associated persons that are natural persons. At the same time, the SEC adopted (i) a new relationship summary disclosure requirement, on Form CRS, for broker-dealers and investment advisers who offer services to retail investors and (ii) two interpretive releases—one on the investment adviser fiduciary duty and the other on the solely incidental exemption for broker-dealers from the investment adviser regulations.

This visual memorandum describes the final rules and interpretations in detail, focusing on synthesizing the SEC's extensive commentary on compliance with these regulatory requirements.

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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