



Update - Mitigating RIA Custody Resulting from Standing Letters of Authorization

Last month, TCA announced enhanced procedures to comply with the notice issued by the SEC, which requires both RIAs and custodians to implement such for third party distributions requested by the advisor on behalf of the client. TCA announced that until we have defined the population of Advisor Authorization for Distributions forms that include banking information for a third party, TCA will send a notification to ALL account owners with Advisor Authorization for Distributions after a distribution has been made from their account via ACH or wire.

Based on feedback from you, your representatives and account owners, we will no longer mail such distribution notifications of ACH/wire distributions to IRA, individual and joint account owners, etc. where the potential to a third party distribution is slim to none. We are placing focus on the Entity related account types (e.g. Trusts, Corporations, QPs, etc.) where the possibility of the recipient being a third party is more prevalent (i.e. where the TCA account registration may differ to the payee bank information; i.e. John Doe Trust disbursement to John Doe bank account).

TCA is providing to you:

- A one-time list of ALL account owners for which TCA has an Advisor Authorization for Distributions on file through October 1, 2017
- A weekly spreadsheet of account owners receiving our notice of distributions processed via ACH/WIRE
 - o TCA will send the distribution notices weekly to ALL Entity account types for which we have Advisor Authorization on file – this will likely occur through year-end until we have reviewed all relevant documents and updated the system accordingly.

If at any time there is a notice that you want us to send for a non-Entity account owner, let your relationship manager know.

Although the third party system update process is automated since October 1, 2017, TCA continues to review all Advisor Authorization for Distributions forms received before this date and update the system accordingly with applicable third party information. Our goal is to complete this review and update effort by end of December so that TCA will send their first annual notification by year end to those account owners for which we have an Advisor Authorization for Distribution form on file that includes banking information to a third party.

As we move forward, we will provide applicable updates - your feedback is appreciated.

Please let us know if you have questions or seek clarification to this process.