

Perkins Coie Helps Family Offices Benefit From Regulation Best Interest No-Action Relief

WASHINGTON, D.C. (January 25, 2021)—Perkins Coie LLP represented large family office clients in providing views to the staff of the U.S. Securities and Exchange Commission (SEC) as part of a process that resulted in a no-action letter. These clients sought relief for broker-dealers from Regulation Best Interest (Reg BI) which, effective June 2020, establishes a new standard of conduct for broker-dealers when making a recommendation of any securities transaction or investment strategy to a retail customer. The Perkins Coie team consisted of Investment Management practice Partner Jesse Kanach and Partner Domingo Such, firmwide chair of the Family Office Services industry group.

New Reg BI imposed duties that prevented large family offices, if treated as retail customers, from making certain sophisticated investments. The Perkins Coie team presented its case before staff members of the SEC alongside the Private Investor Coalition (PIC), which represents part of the family office industry. In parallel, the Securities Industry and Financial Markets Association (SIFMA), which is the leading trade association for broker-dealers, submitted a no-action request on behalf of the brokerage industry.

SIFMA's request for a no-action letter included, as part of the submission, a letter from PIC that reiterated points made during the SEC staff meeting. On December 23, the SEC staff issued a no-action letter granting the requested relief. The letter enables family offices who meet certain criteria to invest as institutional, rather than retail, investors under the new regulation.

Perkins Coie is a leading international law firm that is known for providing high-value, strategic solutions and extraordinary client service on matters vital to our clients' success. With more than 1,200 lawyers in offices across the United States and Asia, we provide a full array of corporate, commercial litigation, intellectual property, and regulatory legal advice to a broad range of clients, including many of the world's most innovative companies and industry leaders as well as public and not-for-profit organizations.

Media Inquiries: Please email [Justin Cole](#), Head of Media Relations.

Contact



Domingo P. Such III

Partner

DSuch@perkinscoie.com [312.324.8415](tel:312.324.8415)

Explore more in

[Family Office Services](#) [Investment Management](#) [Private Client Services](#)

Media inquiries