

Client Asset Protection



A full range of securities
custody and asset protection.

Goldman Sachs Custody Solutions (“GSCS”) is the custodian for your clients’ funds and securities, and it offers clients a full range of securities custody and asset protection.

Goldman Sachs

GSCS is an affiliate of The Goldman Sachs Group, Inc. (“Goldman Sachs”), which is a leading global investment banking, securities, and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments, and individuals. Founded in 1869, Goldman Sachs is headquartered in New York and maintains offices in all major financial centers around the world. Goldman Sachs provides execution and custody services to the world’s largest institutional investors, transacting on over 97% of the world’s equities and derivatives exchanges.

GSCS expands this offering to serve the unique needs of registered investment advisors (“RIAs”) who serve individual investors. GSCS leverages Goldman Sachs’ 150 years of experience working with the world’s leading businesses, entrepreneurs, and institutions to advance

the prosperity and success of its clients.

Goldman Sachs’ consolidated statement of financial condition is available at [here](#),¹ and GSCS’ financial statements can be found [here](#).²

The Role of a Qualified Custodian in Asset Protection

Rule 206(4)-2 under the Investment Advisers Act of 1940 (the “Custody Rule”) requires RIAs to maintain their clients’ funds and securities with a qualified custodian. GSCS is a qualified custodian under the Custody Rule. GSCS is a broker-dealer registered with the U.S. Securities and Exchange Commission (“SEC”), and it creates separate accounts for each client under that client’s name. GSCS regularly produces reports that provide clients the details of the activity that has occurred in their accounts, as well as the value of the securities and funds held therein. GSCS also maintains policies and procedures to safeguard client assets from loss, misuse, and misappropriation.

¹ Goldman Sachs Financial Reports: <https://www.goldmansachs.com/investor-relations/financials>

² GSAS Statement of Financial Condition: <https://advisorsolutions.gs.com/financial-statement>

Regulatory Obligations and Oversight

As an SEC-registered broker-dealer, GSCS is subject to federal securities laws and the rules of the SEC and other regulatory authorities, such as the Financial Industry Regulatory Authority (“FINRA”). The SEC and FINRA regularly conduct examinations of broker-dealers, including GSCS, for compliance with their regulatory obligations. These regulatory obligations include rules designed to ensure broker-dealers maintain sufficient liquid capital (Rule 15c3-1 under the Securities Exchange Act of 1934), and that they segregate customer funds and securities from those funds and securities of the broker-dealer (Rule 15c3-3 under the Securities Exchange Act of 1934). GSCS’ processes for complying with these rules also are reviewed by internal and external auditors.

Account Protection

As a member of the Securities Investor Protection Corporation (“SIPC”), GSCS client assets are protected, even in the event of GSCS liquidation. Should a failure occur, SIPC protects the securities and cash in each customer brokerage account of the member firm, up to \$500,000 (including \$250,000 for claims for cash). Explanatory brochures further detailing SIPC coverage are available upon request, or at www.sipc.org.

Beyond SIPC coverage, GSCS has additional protection through a syndicate of private insurance companies (the “Excess SIPC Coverage”). The Excess SIPC Coverage provides for the replacement or payment of all missing SIPC-eligible securities up to an aggregate of \$1,000,000,000 across all clients eligible for SIPC protection with accounts held at GSCS and other affiliated, U.S.-domiciled broker-dealers wholly owned by Goldman Sachs. In the event the aggregate amount of claims made exceeds the policy limit, payments will be prorated and distributed to clients with a claim in accordance with each client’s proportional share of the total value of claims.

Cash that is included in GSCS’ bank sweep program is deposited in various banks and is covered by Federal Deposit Insurance Corporation (“FDIC”) insurance, up to a maximum of \$250,000 per account owner per bank. The maximum is the total protection available for funds in each client’s bank deposit account, together with any other deposit accounts held in the same title and capacity at each depository institution. For more information, visit www.fdic.gov.

A list of banks used in our deposit sweep program can be found at www.folioinstitutional.com/advisorfeatures/cash-program-banks.jsp.