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**From:** Gilbride, Aaron  
**Sent:** Friday, December 09, 2016 11:30 AM  
**To:** Hong, Ki P (WAS)  
**Cc:** Crovitz, Sara P.  
**Subject:** RE: SEC Rule 206(4)-5 and Presidential Inaugural Committee/Transition Committee

Ki,

Pursuant to our conversation, and as you note below, the release accompanying final Rule 206(4)-5 (*Political Contributions by Certain Investment Advisers*, Release No. IA-3043 (Jul. 1, 2010)), and in particular, footnote 154, states: “MSRB rule G-37 also covers payment of transition or inaugural expenses as contributions for purposes of its time out provision. See MSRB Rule G-37 Q&A, Question II.6. However, under neither rule does a contribution include the transition or inaugural expenses of a successful candidate for *federal* office.” We can confirm that payment of transition or inaugural expenses for a successful candidate for federal office, including President-Elect Trump and Vice President-Elect Pence, would not be a covered contribution under Rule 206(4)-5.

Regards,

Aaron Gilbride

**AARON T. GILBRIDE**

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**From:** Hong, Ki P [<mailto:Ki.Hong@skadden.com>]  
**Sent:** Friday, December 09, 2016 10:39 AM  
**To:** Crovitz, Sara P.  
**Cc:** Gilbride, Aaron  
**Subject:** RE: SEC Rule 206(4)-5 and Presidential Inaugural Committee/Transition Committee

Sara and Aaron,

We have been getting many questions from our investment adviser clients as to whether they may contribute to President-Elect Trump’s Inaugural Committee (PIC) or Transition Committee. As you may know, Vice President-Elect Pence will remain as Governor of Indiana until January 9, 2017.

SEC Rule 206(4)-5(f)(1)(iii) defines a contribution to include, among other things, “transition or inaugural expenses of the successful candidate for state or local office.” [Emphasis added]. It does not refer to a successful candidate for federal office. In fact, in footnote 154 of the SEC’s comments to the issuance of final Rule 206(4)-5, it states that “MSRB rule G-37 also covers payment of transition or inaugural expenses as contributions for purposes of its time out provision. See MSRB Rule G-37 Q&A, Question II.6. However, under neither rule does a contribution include the transition or inaugural expenses of a successful candidate for federal office.”

Given the above, I want to request that SEC staff confirm that contributions made to the PIC and Transition Committee are not covered.

Thanks as always, and please let me know if you have any questions.

Ki

**Ki P. Hong**  
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Further information about the firm, a list of the Partners and their professional qualifications will be provided upon request.

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