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GOVERNOR

STATE OF MICHIGAN
OFFICE OF FINANCIAL AND INSURANCE REGULATION
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
STANLEY "SKIP" PRUSS, DIRECTOR

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COMMISSIONER

NOTICE Regarding Investment Adviser Representative Registration REQUIREMENT

Overview

The State of Michigan has replaced its current securities act with the new Uniform Securities Act (2002) 2008, PA 551 (New Act), effective October 1, 2009. Under the New Act, the State of Michigan will require the registration of investment adviser representatives (IAR) unless they are exempt from registration. Individuals will use Form U-4 through the CRD/IARD System maintained by The Financial Industry Regulatory Authority, Inc. (FINRA) to register.

Definition of "Investment Adviser Representative"

Please review the definition of an "investment adviser representative" found in the new Act, to help determine if you need to register:

"an individual employed by or associated with an investment adviser or federal covered investment adviser and who makes any recommendations or otherwise gives investment advice regarding securities, manages accounts or portfolios of clients, determines which recommendation or advice regarding securities should be given, provides investment advice or holds himself or herself out as providing investment advice, receives compensation to solicit, offer, or negotiate for the sale of or for selling investment advice, or supervises employees who perform any of the foregoing." Please refer to Sec. 102a(f)(i) – (iv) for exclusions to the definition.

An owner, officer, sole-proprietor, etc. of a registered investment adviser are "associated" with an investment adviser, and therefore, if the owner, officer, sole-proprietor, etc. falls within the definition of an investment adviser representative he/she is required to register as an investment adviser representative.

Timeframe

You have until July 1, 2010 to complete the registration requirements. Please allow 60 days for applications to be processed because of the volume of applicants and background checks that will be done on all applicants. We cannot guarantee that your application will be processed and your registration approved by July 1, 2010 if your application is not received 60 days prior to July 1, 2010. Applications will not be forwarded to our office from FINRA for processing until the examination requirement is met. **You cannot act as an Investment Adviser Representative as of July 1, 2010 if your registration has not been approved by our Office.**

Examination

Applicants for registration are required to pass within the 2 year period immediately preceding the date of application the S65 examination **OR** the S66 examination with a current S7 examination. **Exceptions are:** having been registered as an IAR within the past 2 years in a state that requires IAR registration, as long as the state of registration also required the applicant to pass the S65 examination (or S66 examination with a current S7 examination) **OR** if you currently hold in good standing one of the following professional designations: Certified Financial Planner, Chartered Financial Consultant (or Masters of Science and Financial Services awarded by the American College), Chartered Financial Analyst, Personal Financial Specialist, or Chartered Investment Counselor. **Experience cannot be used in lieu of taking the S65 examination. Exam waivers are not being granted.**

To review the New Act, Bulletin 2009-14-SEC, Transition Order No. 09-049-M, Transition Order No. 09-070-M, and frequently asked questions, please visit our website at: www.michigan.gov/ofir

Questions regarding Form U-4 and the CRD/IARD System should be directed to the FINRA Gateway Call Center at 301-590-6500.