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Federally Covered Advisers – State Notice Filings and Investment Adviser Representative Registration Concerns under COVID-19

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In light of the COVID-19 pandemic, many federally registered investment advisers have moved to temporary remote working arrangements. As a result of these temporary offices, advisers are faced with registration and licensing issues with states where employees are now working. In general, states can be very aggressive in pursuing fines for failing to properly register firms or employees in a particular state. In addition, certain exemptions from state notice filings, licensing and registrations hinge on whether the investment adviser is deemed to have a place of business in a particular jurisdiction.

While the SEC and CFTC have taken action to provide relief for temporary remote working arrangements (see links below), only some states have provided relief. As a result, firms are faced with deciding whether to notice file/register with their upcoming Form ADV filing (March 30 for December 31 fiscal year-end firm).

The North American Securities Administrators Association ("NASAA") has created a website which provides links to the various states which have provided relief thus far. The link can be found here:

https://www.nasaa.org/industry-resources/covid-19-updates/

We encourage clients to use the NASAA website as a resource and contact their state regulators as necessary.

SEC Relief on Temporary Office Locations

https://www.vedderprice.com/covid-19-update-limited-form-adv-and-form-pf-filing-relief

CFTC Relief on Branch Offices

https://www.vedderprice.com/nfa-issues-covid-19-alert-on-business-continuity-plans-relief-for-branch-office-requirements-and-reminder-on-upcoming-deadline-for-cta-pr-filing-relief

For assistance in evaluating how these developments may affect your business, please contact **Joseph M. Mannon** at +1 (312) 609 7883 or **Jeff VonDruska** at +1 (312) 609 7563 or any Vedder Price attorney with whom you have worked.