

MEMO# 22017

December 5, 2007

Nevada Law Requiring Registration of Transfer Agents Limited in Application

[22017]

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TO: TRANSFER AGENT ADVISORY COMMITTEE No. 85-07
SEC RULES COMMITTEE No. 92-07
OPERATIONS COMMITTEE No. 33-07 RE: NEVADA LAW REQUIRING REGISTRATION OF
TRANSFER AGENTS LIMITED IN APPLICATION

At recent ICI Committee meetings, I discussed a recent amendment to Nevada's state securities act that requires those transfer agents that transact business in Nevada to register with the Nevada Securities Division. [\[1\]](#) The only transfer agents expressly excluded from this provision are those handling securities traded on the New York Stock Exchange (NYSE), the American Stock Exchange (AMEX), or in the over-the counter (OTC) market. This law became effective October 1, 2007.

The Institute recently sought clarification from the Nevada Secretary of State's Office regarding the scope of this provision. While they have not yet adopted final regulations to implement this new requirement, in their view, it only applies to those transfer agents located in Nevada that handle securities issued by public companies that are based in Nevada and whose shares do not trade on the NYSE, AMEX, or in the OTC market.

As such, the registration requirement does not currently appear to apply to any transfer agent to a registered investment company. To avoid its application to transfer agents to investment companies in the future, the Secretary of State's Office has agreed to work with the Institute during the 2008 legislative session to amend this statutory requirement to expressly exclude such transfer agents.

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endnotes

[\[1\]](#) See Sections 41 and 43 of Nevada Assembly Bill 25 (2007).

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