

**MEMO# 1998**

July 2, 1990

## **SOUTH CAROLINA AMENDS UNIFORM SECURITIES ACT**

July 2, 1990 TO: INVESTMENT ADVISER MEMBERS NO. 27-90 INVESTMENT ADVISER ASSOCIATE MEMBERS NO. 25-90 RE: SOUTH CAROLINA AMENDS UNIFORM SECURITIES ACT

The South Carolina Uniform Securities Act was amended effective July 1, 1990 to require registration of investment adviser representatives and to revise the filing and bond fee schedules. A copy of the amendments to the Act is attached. The revised law defines "investment adviser representative" as a partner, officer, director, individual occupying a similar status or performing similar functions, or other individual employed by or associated with an investment adviser, except clerical personnel, who (a) makes any recommendations or otherwise renders advice regarding securities directly to clients, (b) manages accounts or portfolios of clients, (c) determines which recommendations or advice regarding securities must be given, (d) solicits, offers, or negotiates for the sale of or sells investment advisory services, or (e) directly supervises investment adviser representatives, unless the investment adviser representatives are already required to register due to their role as supervisors. Persons or entities exempt from registration as investment advisers under South Carolina law are exempt from registration as investment adviser representatives. An investment adviser representative must pay a non-refundable \$50.00 registration fee. The fee for investment adviser registration has been increased to \$200.00. Surety bonds in the amount of \$10,000.00 are required for investment adviser representatives. The surety bond for investment advisers has been increased to \$50,000.00. No bond is required for persons who are members of the NASD or the SIPC. On a related matter, the South Carolina Securities Commissioner recently announced that until further notice the passing of the Uniform Investment Adviser's Examination Series 7 and Series 63 or the passing of Series 65 will be considered adequate for licensing as an investment adviser in South Carolina. We will keep you informed of further developments. W. Richard Mason Assistant General Counsel Attachment