

MEMO# 4107

September 21, 1992

ADOPTION OF AMENDMENTS TO FORM BD THAT ARE ANTICIPATED FOR FORM ADV

September 21, 1992 TO: INVESTMENT ADVISERS COMMITTEE NO. 34-92 BROKER/DEALER ASSOCIATE MEMBERS NO. 14-92 RE: ADOPTION OF AMENDMENTS TO FORM BD THAT ARE ANTICIPATED FOR FORM ADV _____ The SEC recently adopted amendments to Form BD, which become effective on November 16, 1992. As we previously mentioned, the SEC anticipates proposing amendments to Form ADV similar to the Form BD amendments. (See Memorandum to Investment Advisers Committee No. 43-91, dated September 11, 1991.) In the attached release, the SEC indicates that it continues to be interested in providing more uniformity between Forms BD and ADV. The Institute had submitted a comment letter to the SEC on the Form BD amendments, in anticipation of the amendments to Form ADV. (See Memorandum to Investment Advisers Committee No. 51-91, dated October 11, 1991.) The amendments incorporate the Institute's recommendation that, in disclosing its investment-related business, the applicant generally not be required to disclose a business activity that constitutes only a nominal percentage (in this case, less than 1%) of the applicant's securities-related revenue. However, the amendments require disclosure of all violations of investment-related statutes and regulations, rather than only those that occurred during the previous ten years as the Institute had suggested. We will keep you informed of any developments. Thomas Selman Assistant Counsel Attachment