

MEMO# 1408

September 18, 1989

NEVADA PROPOSES INVESTMENT ADVISER RULE CHANGES

September 18, 1989 TO: INVESTMENT ADVISERS COMMITTEE NO. 39-89 RE: NEVADA
PROPOSES INVESTMENT ADVISER RULE CHANGES

The Securities Division of the office of the Nevada Secretary of State is proposing certain changes in the Division's regulations. The relevant proposed changes and a Summary of Regulatory Changes are attached. Section 5 would permit the administrator to impose a fee for inspection of the records of any investment adviser of up to \$500 for an inspection within the state of Nevada or up to \$2500 for any part of an inspection which may occur outside of the state of Nevada. The fee would be due within 60 days after notice by the administrator. In Section 13, the proposed regulation would delete the current language which requires the administrator to permit a completed license application to become automatically effective 30 days after it has been filed. In its place, there would be a rule that would permit the administrator of the Securities Division to issue an order upon receipt of a completed license application. This would permit the administrator to issue an order that an application has become effective prior to the 30 days, provided the application is complete, but would also permit the administrator to issue an effectiveness order after the 30 day period. If you have any comments about these proposed regulations, please contact the undersigned by Friday, September 29, 1989. Robert L. Bunnan, Jr. Assistant General Counsel Attachment