

MEMO# 1185

June 7, 1989

INDIANA PASSES INVESTMENT ADVISER LAW

June 7, 1989 TO: INVESTMENT ADVISER MEMBERS NO. 32-89 INVESTMENT ADVISER
ASSOCIATE MEMBERS NO. 32-89 RE: INDIANA PASSES INVESTMENT ADVISER LAW

Effective July 1, 1989, investment advisers and investment adviser representatives will be subject to an amended securities law in Indiana. A copy of the Act as amended is attached. The amended Act includes a number of provisions affecting investment advisers and investment adviser representatives including a definition of investment adviser representative (see Section 1(q)), a de minimus and institutional investor exemption from registration (see Section 7(c)), a requirement that an investment adviser post a surety bond in an amount up to \$25,000 (see Section 8(b)), a minimum financial requirement for investment advisers (see Section 8(f)), and a \$100 and \$50 fee requirement for initial and renewal registration for investment advisers and a fee of \$25 for both initial and renewal registration for investment adviser representatives (see Section 8(d)). The registration exemptions and other important provisions were included as a result of comments by the Institute and Institute members. In conversations with the Securities Commissioner in Indiana, the Institute learned that he does not intend to propose rules under the law for at least the next year. Thus, provisions which require rulemaking in order to become effective will not be required until rules are adopted. We will inform you of any developments. Robert L. Bunnen, Jr. Assistant General Counsel Attachment

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