

MEMO# 1871

April 25, 1990

GEORGIA ADOPTS "HOLDING OUT" STANDARD FOR INVESTMENT ADVISER REGISTRATION AND APPROVES ACCOUNTANT EXEMPTION

April 25, 1990 TO: INVESTMENT ADVISER ASSOCIATE MEMBERS NO. 11-90 INVESTMENT ADVISER MEMBERS NO. 12-90 RE: GEORGIA ADOPTS "HOLDING OUT" STANDARD FOR INVESTMENT ADVISER REGISTRATION AND APPROVES ACCOUNTANT EXEMPTION

Georgia adopted legislation amending the definition of "investment adviser" to require that a person who holds himself out as an investment counsel adviser or financial planner register as an investment adviser unless otherwise exempt from the registration requirement. In addition, Georgia approved an exemption from the definition of "investment adviser" for accountants that do not engage in the advisory business. Specifically, the exemption is available for accountants who do not receive, directly or indirectly, any compensation as a result of the purchase or sale of an investment by a client; do not recommend the purchase or sale of any securities; does not have custody or possession of a client's funds for investment purposes; and, is engaged in a public practice as an accountant. Attached is a copy of the legislation. Amy B. Rosenblum Assistant General Counsel Attachment

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