

INVESTMENT ADVISER INITIAL REGISTRATION REQUIREMENTS

The same instructions apply to RIA firms switching from SEC to State Registration.

1. File Form ADV, Parts 1 and 2, on the IARD, and apply for registration in Indiana. The fee is \$100 for Registered Investment Adviser (“RIA”) firms and \$25 for new Investment Adviser Representatives (“IAR”).
 - “Switch” firms will likely already have at least one registered individual, but they may need to register any additional IARs.
 - If new IARs are being added to an RIA firm, they must have passed either the Series 65 exam OR BOTH the 7 and 66 exams. Certain professional designations will be accepted in lieu of the exam requirements. If an individual holds one of the following designations, upload the current information to the individual’s CRD record: CFP, ChFC, PFS, CFA, or CIC.
2. Include a current balance sheet (not older than 60 days) of the RIA firm to the Division. If the firm has custody of client funds or securities or bills clients more than \$500 and more than six months in advance, the balance sheet must be audited. Otherwise, an unaudited balance sheet will suffice.
3. If the firm maintains its books and records at a location other than the principal location, or if the firm is located outside of Indiana, complete the Books and Records Location Form, and return to the Division.
4. Provide copies of all contracts/agreements offered to clients to the Division.

IMPORTANT: The most common deficiency that holds up a registration is issues with the fee information. All contracts/agreements must disclose all fees that will be charged, and the fee information in the contracts/agreements MUST agree with the fee information disclosed in the ADV Part 2. Dollar amounts must be disclosed for hourly fees, fixed fees, financial planning fees, consulting fees, etc. If the fees are a set percentage based on Assets Under Management (“AUM”), the specific “tiers” must be disclosed. See example below.

For example only: If the RIA charges between .50% and 2.50% based on AUM, show the dollar values assigned to each “tier” such as:

AUM----- up to \$500,000	Fee is -----	2.50%
500,001 to \$1,000,000		2.0%
\$1,000,001 to \$2,000,000		1.50%
\$2,000,001 to \$3,000,000		1.0%
Over \$3,000,000		.50%

All deficiencies or requests for additional information will be emailed to the firm’s contact person.