

Instructions for Registration as an Investment Adviser



Illinois Secretary of State Securities Department

Jefferson Terrace, Ste. 300 A
300 W. Jefferson St.
Springfield, IL 62702
217-782-2256

To begin the process of registration as an investment adviser in the State of Illinois, an applicant must file the following forms and fees with the Financial Industry Regulatory Authority (FINRA) and the Illinois Securities Department.

To be Filed on the IARD & CRD Systems

The following forms must be filed electronically on the Investment Adviser Registration Depository (IARD) and the Central Registration Depository (CRD) systems, along with the \$400 filing fee, \$150 filing fee for each investment adviser representative to be registered and FINRA system fees.

- 1. Form ADV, Part 1A, Part 1B, All Required Schedules and Disclosure Reporting Pages (DRPs)**
- 2. Form U-4 — Uniform Application for Securities Industry Registration or Transfer** — Must be filed for each person registering as an investment adviser representative. (Please refer to Section 2.12b of the Illinois Securities Law of 1953, and Sections 130.839 and 130.843 of the administrative rules that set forth the definition of an investment adviser representative (IAR) and the procedures for registering IARs and their related examination and educational program requirements.)

To be Filed with the Illinois Securities Department

- 1. Copy of Schedule D of Form ADV and copy of Part II of Form ADV** — Must list each branch office in Illinois and include \$20 fee payable to Secretary of State for each branch office.
- 2. Balance Sheet (unaudited)** — One copy of a balance sheet prepared not more than 60 days prior to the date of filing the application. The balance sheet must contain an affirmation that the information is true and correct, together with a statement disclosing whether the investment adviser retains or during the term of registration will retain custody of any advisory client's cash or securities or accepts prepayment of fees in excess of \$500 per client and six (6) or more months in advance. The statement must be signed by an officer, general partner or the sole proprietor.
- 3. Copy of Articles of Incorporation and By-Laws or Partnership Agreement or other documents as evidence of the legal formation of the applicant, if other than a corporation or partnership, and copy of any amendments.**
- 4. Information required by Section 130.840(a)(4, 6 & 7) of the Administrative Rules for Registration as an Investment Adviser (refer to enclosed form)** — Provide the following information and attestations:
 - Designated Principal(s) to be Responsible for the Rendering of Investment Advice in Illinois. Proof of passing the qualifying examination(s) and/or certification evidencing completion of an educational program as set forth in Section 130.842 of the Rules for each designated principal who is responsible for rendering investment advice and supervision of each investment adviser representative in the State of Illinois.
 - Affidavit of Prior Investment Adviser Activities in Illinois
 - Investment Adviser Representations Under the Illinois Securities Law of 1953
- 5. Dual Registration of Investment Adviser and Salesperson (refer to enclosed form)** — Must be filed when a person is a registered salesperson of a dealer and is an officer, partner, or sole proprietor of an investment adviser and will be the designated principal of the applicant.

Getting Started — Filing on the IARD System

Step 1 — Entitlement Approval: To begin the process of filing on the IARD system, you must first obtain entitlement approval from FINRA, the administrator of the IARD system. State registrant entitlement forms may be obtained at www.iard.com/pdf/state_packet.pdf.

Three forms are necessary for submission to FINRA in order to obtain entitlement approval. By submitting these completed entitlement forms, your firm is requesting FINRA to entitle your firm with access to the IARD system for electronic filing. Once your firm has completed and submitted your entitlement forms, FINRA will mail your firm a confirmation packet containing detailed information regarding use of the IARD and CRD systems.

For additional assistance, please visit www.iard.com or call the IARD Hotline at 240-386-4848.

Step 2 — Fund Your IARD Account with FINRA: After you receive your confirmation packet from FINRA, you must fund your daily account to process filings on the IARD system. **Your firm's financial account (Daily Account) must have an Account Status of Sufficient in order to submit filings on the IARD system.** FINRA and state registration fees for use of the IARD system include:

- \$150 FINRA initial set-up fee for state registered investment advisers
- \$45 FINRA initial set-up fee for each Investment Adviser Representative (RA)
- \$400 Illinois investment adviser registration fee
- \$150 Illinois registration fee for each investment adviser representative

**Make checks payable to FINRA, and send to:
FINRA, CRD-IARD • P.O. Box 7777-W9995 • Philadelphia, PA 19175-9995**

Write your firm's CRD number on the check to ensure proper deposit. You also may submit funds via wire transfer to fund your account. To initiate this process, instruct your firm's bank to contact Mellon Financial, Philadelphia, PA, and provide your bank with the following information:

- ABA Number: 031_000_037
- Beneficiary: FINRA
- FINRA Account Number: 8-234-353
- Reference Number: YOUR FIRM'S CRD NUMBER

Inform your bank that the funds are to be credited to the FINRA BANK ACCOUNT and to use the firm's CRD number as a reference number only. If you wish to call back later and confirm the transfer, you must have the confirmation number, which is provided to you by your bank.

Step 3 — File a Complete Form ADV: Submit an electronic Form ADV filing. Complete instructions are available at www.iard.com/firm_users_man.asp. Refer to Chapter 5 of the manual for exact instructions. To become familiar with the contents of Form ADV prior to making an electronic submission of the form, download the document at www.sec.gov/about/forms/formadv.pdf.

Step 4 — File Form U-4 for each Registered IAR: Submit an electronic Form U-4 for each registered investment adviser representative. Instructions are available at www.iard.com/pdf/firm_users_man_mod9.pdf. When making the filing of Form U-4 for each IAR, the filing is considered an "Initial" filing.

Notice to Foreign Corporations, Limited Partnerships and Limited Liability Companies

- **Foreign Corporations** (corporation not incorporated in the State of Illinois) with a physical presence in the State of Illinois, must be in compliance with the Business Corporation Act of 1983.
- **Limited Partnerships** doing business in the State of Illinois must be in compliance with the Revised Uniform Limited Partnership Act (RULPA).
- **Limited Liability Companies** must be in compliance with the Illinois Limited Liability Act.

The Business Corporation Act of 1983, Revised Uniform Limited Partnership Act and Illinois Limited Liability Act are available at www.ilga.gov. These Acts are administered by the Illinois Secretary of State, Department of Business Services. For more information about these Acts, please call:

**Business Services • 217-782-7880
RULPA • 217-785-8960
Limited Liability Companies • 217-524-8008**

Other Helpful Tips and Resources

Examination Requirements

Sections 130.842 and 130.843 of the enclosed Administrative Rules for the Illinois Securities Law of 1953 outline the specific examination requirements for investment adviser principals and investment adviser representatives. There are a number of private organizations that offer classroom or self-study courses for these exams. Following are some that are known, but are not endorsed, recommended or rated by the Illinois Securities Department:

Pictorial (Series 65 exam material ONLY)
8081 Zionsville Rd.
Indianapolis, IN 46268-0520
800-428-1324, ext. 711 • 317-872-7220

Dearborn Financial Institute, Inc. (all FINRA and non-FINRA exams)
155 N. Wacker Dr.
Chicago, IL 60606-1719
800-824-8742 • 312-836-4400

Securities Training Corporation
200 W. Adams St., Ste. 1810
Chicago, IL 60606
800-782-8505
E-mail: jmarucco@stcusa.com

Securities Exam Preparation, Inc. (all FINRA and non-FINRA exams)
1421 S. Virginia Rd.
Spokane, WA 99216
800-648-7277 • 406-678-4224

Investment Training Institute (all FINRA and non-FINRA exams)
3569 Habersham at Northlake
Tucker, GA 30084
800-241-9095

FINRA Examination Sites in Illinois

Following are designated sites where individuals may register in advance to take the requisite FINRA examinations. Please visit www.finra.org for complete information regarding registration requirements.

Prometric Testing Center #5156
402 E. Plaza Dr.
Carterville, IL 62918
618-985-4727
800-578-6273

Prometric Testing Center #5181
610 E. John St.
Fred H. Turner Student Services Building
Champaign, IL 61820
217-244-1342
800-578-6273

Pearson Professional Centers #7312
111 E. Wacker Dr., Ste. 515
Chicago, IL 60601
312-228-4186
866-396-6273

Pearson Professional Centers #7231
1 N. LaSalle St., Ste. 1250
Chicago, IL 60602
312-422-8621
866-396-6273

Prometric Testing Center #5470
20 N. Clark St., Ste. 1600
Chicago, IL 60602
312-641-7301
800-578-6273

Prometric Testing Center #5132
770 Lake Cook Rd., Ste. 200
Deerfield, IL 60015
847-572-0550
800-578-6273

Prometric Testing Center #5259
Park Place Plaza
17936 S. Halsted
Homewood, IL 60430
708-798-0238
800-578-6273

Prometric Testing Center #5050
1919 S. Highland Ave.
Building A, Ste. 239
Lombard, IL 60148
630-916-7613
800-578-6273

Pearson Professional Centers #7230
103 Airway Dr., Ste. 1
Marion, IL 62959
618-993-8253
866-396-6273

Pearson Professional Centers #7229
4801 Southwick Dr., Ste. 602
Matteson, IL 60443
708-283-9093
866-396-6273

Prometric Testing Center #5287
7501 N. University, Ste. 218
Peoria, IL 61614
309-683-4653
800-578-6273

Pearson Professional Centers #7228
Norwoods Professional Building
4507 N. Sterling Ave., Ste. 302
Peoria, IL 61615
309-682-8638
866-396-6273

Pearson Professional Centers #7227
1827 Walden Office Square, Ste. 540
Schaumburg, IL 60173
847-925-1032
866-396-6273

FINRA Test Centers in Illinois

Pearson Professional Centers
111 E. Wacker Dr., Ste. 515
Chicago, IL 60601
312-228-4186

Pearson Professional Centers
1 N. LaSalle St., Ste. 1250
Chicago, IL 60602
312-422-8621

Pearson Professional Centers
103 Airway Dr., Ste. 1
Marion, IL 62959
618-993-8253

Pearson Professional Centers
4801 Southwick Dr., Ste. 602
Matteson, IL 60443
708-283-9093

Pearson Professional Centers #7226
300 Professional Dr., Ste. A
Springfield, IL 62703
217-789-9482
866-396-6273

Prometric Testing Center #5225
2731 S. 6th St.
Springfield, IL 62703
217-546-0381
800-578-6273

Prometric Testing Center #5512
1950 DeKalb Ave., #E
Sycamore, IL 60178
815-899-0292
800-578-6273

Pearson Professional Centers
4507 N. Sterling Ave.
Norwoods Professional Bldg., Ste. 302
Peoria, IL 61615
309-682-8638

Pearson Professional Centers
1827 Walden Office Sq.
Gateway Executive Park, Ste. 540
Algonquin Rd., (west of Rt. 53)
Schaumburg, IL 60173
847-925-1032

Pearson Professional Centers
3000 Professional Dr., Ste. A
Springfield, IL 62703
217-789-9482

IARD User's Manual

An electronic guide to the IARD system, the Firm User's Manual, has been created specifically for investment adviser firms to guide users through the IARD system. The User's Manual allows you to view information online or print all or part of the manual as necessary. The manual is available at www.iard.com/firm_users_man.asp.

IARD Q&As

FINRA has compiled a "Help and Training" Web site about the IARD system available at www.iard.com/UserSupport.asp.

Additional Information Required by Section 130.840(a)(4, 6 & 7) of the Administrative Rules for Registration as an Investment Adviser



Illinois Secretary of State Securities Department

Jefferson Terrace, Ste. 300 A
300 W. Jefferson St.
Springfield, IL 62702
217-782-2256

1. Designated Principal(s) to be Responsible for the Rendering of Investment Advice in Illinois:

- A. Applicant understands that each investment adviser registered in the State of Illinois must have at least one examination-qualified principal who is responsible for the rendering of investment advice and the supervision of each investment adviser representative servicing Illinois customer accounts. Each designated principal must have passed the qualifying examinations or educational program designation as set forth in Section 130.842 of the Rules.
- B. Name, Social Security Number or CRD Number(s) and qualifying examination(s) and/or education program for each designated principal who will be responsible for the rendering of investment advice and the supervision of investment adviser representatives in the State of Illinois:

Name of Designated Principal	CRD Number	Qualifying Exams/Designations
Name of Designated Principal	CRD Number	Qualifying Exams/Designations
Name of Designated Principal	CRD Number	Qualifying Exams/Designations

- C. Applicant undertakes to amend this list and file the amendment with the Illinois Securities Department no later than 10 business days after any change of any designated principal.

2. Affidavit of Prior Investment Adviser Activities in Illinois — Applicant hereby applies for registration as an investment adviser to engage in rendering investment advice in the State of Illinois. Applicant hereby certifies that (check A or B):

- A. 1. Neither applicant nor any of his/her representatives has rendered any investment advice for a fee or entered into any agreement to render investment advice for a fee to any Illinois residents; and
2. Neither applicant nor any of his/her representatives will engage in the business of rendering investment advice for a fee to Illinois residents until said firm is registered to do so with the Illinois Securities Department.
- B. Applicant has rendered investment advice for a fee to Illinois residents. All information relating to said advice is attached, including the exemption or exclusion under which Illinois residents' accounts have been or are being serviced, if applicable.

Applicant acknowledges the foregoing to be truthful with full knowledge that misrepresentation of such facts to the Illinois Securities Department may result in enforcement action.

3. Investment Adviser Representations Under the Illinois Securities Law of 1953 — Applicant makes the following representations as a condition to registration as an investment adviser under the provisions of Section 8.D of the Illinois Securities Law of 1953 and its relevant Administrative Rules thereunder:

- A. Applicant will not charge or receive compensation in connection with the rendering of investment advice unless such compensation is fair and reasonable, is determined on an equitable basis and adequately disclosed in writing to each Illinois advisory client. Negotiable fees will not be based upon capital gains or performance unless in conformance with the provisions of Rule 205-3 under the Investment Advisers Act of 1940; and
- B. Applicant, when selecting the services of a dealer to effectuate securities transactions for Illinois advisory clients, will utilize dealers registered in the State of Illinois unless such transactions are otherwise exempt pursuant to Section 4 of the Act; and
- C. Applicant will ensure that each designated principal and each investment adviser representative who offers for sale or sells securities in the State of Illinois will be registered as a salesperson under Section 8.C of the Act; and
- D. Applicant will provide each Illinois advisory client and prospective advisory client with a written disclosure statement (brochure) as required by Section 130.846 of the Rules under the Act and Rule 204-32 under the Investment Advisers Act of 1940. Adverse financial and disciplinary information will be disclosed in accordance with the provisions of Section 130.847 of the Rules under the Act.

Applicant acknowledges the foregoing to be truthful with full knowledge that misrepresentation of such facts to the Illinois Securities Department may result in enforcement action.

Name of Applicant

Signature of Officer, Partner, Sole Proprietor

Name and Title (type or print), Date

Dual Registration as an Investment Adviser Representative and Salesperson



Illinois Secretary of State Securities Department

Jefferson Terrace, Ste. 300 A
300 W. Jefferson St.
Springfield, IL 62702
217-782-2256

This form must be completed and filed by the applicant when a person is a registered salesperson of a dealer and applies for registration as an investment adviser representative under Section 8D of The Illinois Securities Law of 1953.

1. Name of each Registered Salesperson of the dealer named below who also has requested to be an Investment Adviser Representative to the applicant:

_____	_____
Name of Salesperson	CRD Number
_____	_____
Name of Salesperson	CRD Number
_____	_____
Name of Salesperson	CRD Number
_____	_____
Name of Salesperson	CRD Number
_____	_____
Name of Investment Adviser Applicant	Signature of Officer, Partner or Sole Proprietor

	Name and Title (type or print)

2. Dealer Acknowledgement — The undersigned dealer acknowledges that it is aware of the intention of the above-named person(s) affiliated with the applicant named above to become registered in the State of Illinois as an investment adviser representative, and that the dealer consents to and is aware of its supervisory responsibilities and potential conflict(s) of interest inherent in such a situation.

_____	_____
Name of Dealer	Signature of Officer, Partner or Sole Proprietor

	Name and Title (type or print)

Notice to Dealer: This form must be returned to the applicant to be filed with the Application for Registration as an Investment Adviser Representative.

Investment Adviser Registration Amount Payable



Illinois Secretary of State Securities Department

Jefferson Terrace, Ste. 300 A
300 W. Jefferson St.
Springfield, IL 62702
217-782-2256

Complete Items 1 and 2 below and return this form, other required registration forms and the branch office fees to the Illinois Securities Department.

1. Investment Adviser Name: _____
2. Branch Office Fee (\$20 each): _____ x \$20 = _____
Number of Branch Offices Total Amount Due

Please make checks payable to Illinois Secretary of State.