

Investment Funds Alert

SEC Staff Anticipates Delay of Investment Adviser Registration Deadlines

April 8, 2011

On April 8, 2011, in a letter to the president of the North American Securities Administrators Association, Inc., Robert Plaze, associate director of the Division of Investment Management (the “Division”) of the Securities and Exchange Commission (the “Commission”), stated that the Division anticipates that the Commission will consider extending the registration deadline or, at least, the compliance deadline until the first quarter of 2012 for investment advisers that, due to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”), will be required to register with the Commission.

Specifically, Mr. Plaze stated—

- “We anticipate that the Commission will complete its implementing rulemaking by July 21, 2011 in accordance with the Dodd-Frank Act, but expect in connection therewith that the Commission will consider providing additional time for investment advisers affected by these provisions to come into compliance.”
- “Once the Commission adopts the implementing rulemaking, the Investment Adviser Registration Depository system (IARD) will require re-programming to accept advisers’ transition filings. We understand that the re-programming process will take until the end of the year to complete. Accordingly, we expect that the Commission will consider extending the date by which mid-sized advisers must transition to state regulation such that all SEC-registered advisers would be required to report their eligibility for registration with the Commission in the first quarter of 2012. Those no longer eligible for Commission registration (*i.e.*, mid-sized advisers) would have a grace period providing them time to register with the appropriate state regulators and come into compliance with state law before withdrawing their Commission registration.”
- “As noted above, we anticipate that the Commission will issue those final rules [relating to new exemptions under the Dodd-Frank Act] in advance of July 21. However, given the time needed for advisers to register and come fully into compliance with the obligations applicable to them once they are registered, we expect that the Commission will consider extending the date by which these advisers must register and come into compliance with the obligations of a registered adviser until the first quarter of 2012.”

For a link to the letter, please click [here](#)



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