

Alert: Changes to Exemptions for Registration of Investment Adviser Representatives

Missouri Securities Commissioner, Michael O'Donnell, is announcing administrative relief for broker-dealer agents (BDAs) who rely upon 15 CSR 30-51.180(4), and for special compensation provide investment advisory services. The Commissioner has determined that he will take no administrative action on those BDA's who are relying upon 15 CSR 30-51.180(4) and who conduct investment advisory services, meeting the definition of investment adviser representative (IAR). This No-Action Relief is in effect until 11:59PM June 30, 2025. The Commissioner finds this to be a reasonable extension of time to take and pass the appropriate examinations and to properly register as an IAR with the Missouri Securities Division.

Key Points:

1. Administrative Order (AO) 99-41, 15 CSR 30-51.010 (4), 15 CSR 30-51.020(C), 15 CSR 30-51.180(3)&(4), will be rescinded effective February 28, 2025.
2. The Commissioner is offering No-Action Relief until 11:59PM June 30, 2025, for those BDA's who comply with the registration filing requirements outlined in 15 CSR 30-51.020(5)&(6), along with the prescribed examination requirements set forth in 15 CSR 30-51.030(2)(C) necessary for registration as an IAR and to complete the registration process.

Categories of IAR's:

1. **Successful Exam Takers:** IAR's who pass the required exam between now and June 30, 2025, will face no adverse action, even if the exam is completed after February 28, 2025. These BDA's may continue their advisory services.
2. **Exam Takers Who Initially Fail:** BDA's who attempt to pass but fail the exam between now and May 31, 2025, will have until June 30, 2025, to retake and pass the exam. If they cannot pass by this date, they must cease all fee based IAR activities. In case of an examination revealing advisory work after February 28, 2025, proof of exam attempt will be required for the No-Action Relief to apply.

Action Required:

BDA's conducting IAR services in Missouri should carefully review these changes and take appropriate action to ensure compliance with Missouri Securities Laws. Persons conducting investment advisory services should either be registered or otherwise exempt by state or federal securities laws.

The Commissioner urges all affected parties to act promptly to avoid any disruption to their advisory services and to maintain compliance with Missouri securities laws.