

# Important Disclosure

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### *Sample Form*

*Note: This sample checklist is offered for educational or background purposes. This should not be considered a comprehensive listing or analysis of all compliance issues related to submitting IARD Renewal payments and Form ADV Annual Amendments. There are numerous topics and issues which this checklist does not cover.*

## **IARD – Annual IARD Renewal Tips Checklist**

### ***Determine if your investment adviser firm desires to renew its registration or notice filing:***

- While reviewing your Preliminary Renewal Statement, consider whether your firm desires to terminate a firm-level investment adviser state registration or state notice filing so it can receive a regulatory fee refund.
- In order to receive a refund on the Final Renew Statement, your firm must file the withdrawal request via the IARD system by the applicable deadline listed on the IARD Renewal Program Calendar (visit IARD.com and check for the applicable year's calendar); otherwise, your firm's state registration or state notice filing will be renewed in each state for the upcoming year. Your firm will not receive partial or pro-rata refunds for withdrawing state registrations and state notice filings on or after January 1.
- Although your firm may file such a Form ADV-W or Form ADV amendment removing the state registration or notice filing, your firm still must pay the Preliminary Renewal Statement in full by the applicable deadline on the IARD Renewal Program Calendar. Your firm will not receive credit for any refunds until the Final Renewal Statement.

### ***Determine the states where your IARs will be licensed:***

- Your firm should consider whether its investment adviser representatives should be registered as an investment adviser representative in a particular state. Refer to the Rep Roster Report which should be available in your firm's IARD account and will list each rep by name and the state(s) currently registered. This checklist does not address the IAR licensing requirements of any particular jurisdiction.
- Termination of an IAR license:
  - Your firm should take prompt action if there is an individual listed as an investment adviser representative on the Preliminary Renewal Statement that is no longer affiliated with your investment adviser firm.
  - A Form U5 must be submitted via the Web CRD system to terminate the individual's registration as an investment adviser representative and must be submitted no later than by the applicable deadline of the Renewal Program

Calendar if your investment adviser firm desires a refund of the renewal fee from the state. (See our [Rep Term Checklist](#) which provides tasks to perform when an investment adviser representative's affiliation is terminated with the investment adviser firm.)

- Addition of IAR license:
  - Your firm needs to act if there is an individual not listed on the Preliminary Renewal Statement that **should be** registered with a state regulator as an investment adviser representative under your firm.
  - A Form U4 must be submitted to register the individual under your investment adviser firm in the proper jurisdiction. An initial state-filing fee will be assessed upon submission of the Form U4 and a renewal fee will be assessed on the Final Renewal Statement if the investment adviser representative is approved by the state regulator before the end of the year. (See our [Prospective Rep Checklist – Compliance Issues](#) which includes various compliance issues which may be relevant in determining whether to affiliate with a prospective investment adviser representative.)
- Although a firm may file a Form U5 withdrawing an individual's investment adviser representative registration or a Form U4 registering an individual as an investment adviser representative, your firm still must pay the Preliminary Renewal Statement in full by the applicable deadline in the Renewal Program Calendar. Partial payment is not sufficient to approve renewals. The firm will not receive credit for any refunds until the Final Renewal Statement.

#### ***Create Email Alerts from IARD System:***

- Your firm can create IARD renewal email alerts in E-Bill section of the IARD account. The email alerts sent to your firm can include notifications about renewal statements, deadlines, or confirmation that your investment adviser firm has paid its renewals in full.
- The Super Account Administrator ("SAA") for your firm's IARD account does not automatically receive all the available alerts; the SAA must subscribe for the various email alerts. For more details about the features of the E-Bill section of your investment adviser firm's IARD account, visit E-Bill Frequently Asked Questions (FAQ) at <https://www.finra.org/filing-reporting/e-bill/faq#alerts>.

#### ***Add Key Deadlines to your Compliance Calendar***

- The chief compliance officer ("CCO") of your investment adviser firm should review the applicable IARD Renewal Program Calendar and add the applicable dates for the

following IARD renewal and the annual Form ADV amendment events to his or her calendar:

- Date Preliminary Renewal Statement Is Available;
  - Due Date for Payment of Preliminary Renewal Statement;
  - Date Final Renewal Statement Is Available;
  - Due Date for Payment of Final Renewal Statement; and
  - Filing Deadline for Form ADV Amendment (within 90 days of fiscal-year end).
- A copy of the IARD Renewal Calendar can be accessed and downloaded by your investment adviser firm at <https://www.iard.com/renewal-program> .

### ***Check for State's Miscellaneous Requirements – Annual Financials***

- Certain state securities regulators have additional renewal requirements beyond the IARD renewal statements and Annual Form ADV Amendment. There are states securities regulators that require its state-registered investment adviser firms to submit annual financial statements and/or other documents directly to the state securities regulator (outside of the IARD/CRD system). Requirements vary significantly among states – some state securities regulators require all state registered investment adviser firms filed in the state to submit an annual financial statement while other state securities regulators may only require the submission of an annual financial statement if the investment adviser firm has a principal place of business in the state, maintains investment discretion or is deemed to have custody of client assets.
- These annual submissions (outside of the IARD/CRD system) of the financial statement and/or other documents to a home state securities regulator are most commonly due at the end of the calendar year (December 31) or within 90 days of the end of an investment adviser's fiscal year. However, each state has its own deadline, so it is important to check directly with the states where your investment adviser firm is registered.

### ***Final Renewal Statement***

- A firm's Final Renewal Statement reconciles what was charged on the Preliminary Renewal Statement with what is actually owed as the start of the new calendar year. The Final Renewal Statement confirms whether an investment adviser firm must pay an additional amount, received a refund (i.e. credit) to its Flex-Funding Account or is Paid-in Full.
- The Final Renewal Statement is typically available for an investment adviser firm on the first business day of the new calendar year. A firm should check [www.IARD.com](http://www.IARD.com) for

each year's renewal program calendar for the exact date when the Final Renewal Statement will be available.

- When reviewing the Final Renewal Statement, a firm should confirm whether the renewal fees have been paid in full or whether additional funds are required to be paid. The firm should also confirm that the investment adviser firm and its investment adviser representatives are properly registered or noticed filed in the applicable jurisdictions.
- If the Final Renewal Statement indicates "Failed to Renew", a firm will need to contact immediately each applicable state securities regulator to determine what will be required by the state securities regulator.
- If a firm owes additional fees on the Final Renewal Statement, the investment adviser firm must pay by the Final Renewal Statement's due date. An investment adviser firm should check [www.IARD.com](http://www.IARD.com) for each year's renewal program calendar for the exact date when payments are due for the Final Renewal Statement.