

**INDIANA SECRETARY OF STATE  
SECURITIES DIVISION**

**FILED**  
SECURITIES DIVISION  
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INDIANA  
SECRETARY OF STATE

**STATEMENT OF POLICY REGARDING  
INVESTMENT ADVISER FORM ADV PART 2**

The Indiana Secretary of State and the Securities Commissioner have determined that it is appropriate and in the public interest to issue a Statement of Policy prescribing the forms investment advisers must submit to apply for registration in Indiana.

Statutory Context

Section 23-19-4-3 of the Indiana Uniform Securities Act (“Act”) requires that investment advisers transacting business in Indiana be registered with the Indiana Secretary of State, Securities Division (“Division”) with limited exemptions. The Indiana Administrative Code provides the mechanics of registration at 710 IAC 4-9-1, and according to this section, investment advisers seeking to register in Indiana must submit the Form ADV, or its successor form, created by the Securities and Exchange Commission (“SEC”) along with other documents.

Background

On July 28, 2010, the SEC released a revised Form ADV. (SEC Release No. IA-3060; File No. S7-10-00). The release adopted amendments to the second part of the Form ADV, which is now known as the ADV Part 2. The new Part 2, along with instructions, can be found on the SEC’s website at [www.sec.gov/rules/final/2010/ia-3060.pdf](http://www.sec.gov/rules/final/2010/ia-3060.pdf). The amendments change the formats of the second part of Form ADV from a check the box form to a narrative brochure intended to be written in plain English. By means of these changes the form will be more clear, concise, and easily understandable to current and prospective clients. The ADV Part 2 will provide current disclosure of the business practices, conflicts of interest and background of the investment adviser and its advisory representatives in a manner that is easily comprehended.

The new ADV Part 2 consists of three parts: Part 2A, Firm Brochure; Part 2A Appendix 1, Wrap Fee Program Brochure; and Part 2B, Brochure Supplement. The ADV Part 2 for all investment advisers shall include at least Part 2A and Part 2B, the Firm Brochure and the Brochure Supplement. Investment Advisers who provide a wrap fee program will also be required to submit Part 2A Appendix 1, Wrap Fee Program Brochure.

Policy

The Division is adopting the new ADV Part 2, effective October 12, 2010. The new form will be accepted according to the following timetable:

- Between October 12, 2010, and January 1, 2011, all applicants for investment adviser registration with the Division and currently registered investment advisers may use either the current ADV Part II or the new ADV Part 2.
- As of January 1, 2011, all new investment adviser applicants will be required to file the new ADV Part 2 through the Investment Adviser Registration Database (“IARD”) as part of the application.
- As of January 1, 2011, all currently registered investment advisers’ Form ADV will need to incorporate the new ADV Part 2 as part of any amendment or required annual update.

DATED at Indianapolis, Indiana, this 7<sup>TH</sup> day of OCTOBER, 2010.

TODD ROKITA  
SECRETARY OF STATE



CHRIS NAYLOR  
SECURITIES COMMISSIONER