



PILOT ACKNOWLEDGMENT

After receiving Participant's signed Acknowledgment, NASD Regulation, Inc. (NASDR) will provide Participant access, during the Pilot program (Pilot), to the Investment Adviser Registration Depository (IARD) Pilot System (IARD Pilot System), a Web-based system built to enable the electronic filing of Forms ADV and ADV-W with the Securities Exchange Commission (SEC) and the states, as well as the collection and disbursement of fees associated with such filings. The Pilot is scheduled to end on November 3, 2000, unless extended by the SEC.

Participant, having voluntarily agreed to participate in the Pilot, acknowledges and agrees to the following:

NASDR assumes no responsibility for providing Participant with hardware or software for connecting to, or interacting with or using the IARD Pilot System. The IARD and the IARD Pilot System hardware and software, and all intellectual property rights related to them, are the exclusive property of NASDR and/or its affiliates; access to or use of the IARD Pilot System does not entitle Participant or its users to any rights to this property.

To use the IARD Pilot System, Participant must have identified an individual as its Account Administrator; Participant may also designate its other users. Participant is solely responsible for its users' activities on the IARD Pilot System. NASDR has no responsibility for these users' activities on the IARD Pilot System on behalf of Participant, including the accuracy, timeliness or completeness of filings or data entered on the IARD Pilot System or for transactions initiated on the Pilot System.

Participant is responsible for paying any fees assessed in connection with filings through the IARD Pilot System, including IARD filing fees and any state registration or notice filing fees.

Participant understands that its access privileges to the IARD System may be revoked in the event that Participant or its users cause any damage to the IARD Pilot System by altering, corrupting or deleting data, or by delaying or interrupting the operation of the IARD Pilot System.

NASDR will make all reasonable efforts to make the IARD Pilot System available during established hours of operation throughout the Pilot Term. However, the IARD Pilot System is a pilot and may experience system interruptions, malfunctions or other system performance problems. By signing below, Participant acknowledges this and agrees not to hold NASDR responsible for such problems. NASDR will make all reasonable efforts to restore interruptions and correct malfunctions as soon as practicable.

ACKNOWLEDGED AND AGREED:

Participant: _____

By its authorized representative: _____

Name: _____

Title: _____

Date: _____

