

SECURITIES AND EXCHANGE COMMISSION

Release No. IA-3126 / December 22, 2010

Order Approving Investment Adviser Registration Depository Filing Fees

Section 204(b) of the Investment Advisers Act of 1940 (“Advisers Act”) authorizes the Commission to require investment advisers to file applications and other documents through an entity designated by the Commission, and to pay reasonable costs associated with such filings.¹ Commission staff, representatives of the North American Securities Administrators Association, Inc. (“NASAA”),² and representatives of the Financial Industry Regulatory Authority (“FINRA”), the IARD system operator, periodically hold discussions on IARD system finances.

FINRA wrote to Commission staff in November recommending revised annual and initial IARD filing fees to commence on January 1, 2011.³ The recommended fee levels would increase the fee for advisers with assets under management of \$100 million or higher, but would not change the fee levels for advisers with assets under management under \$100 million.⁴ The recommended annual filing fees due beginning January 1, 2011 are \$40 for advisers with assets under management under \$25 million; \$150 for

¹ 15 U.S.C. 80b-4(b).

² The IARD system is used by both advisers registering or registered with the SEC and advisers registered or registering with one or more state securities authorities. NASAA represents the state securities administrators in setting IARD filing fees for state-registered advisers.

³ FINRA letter dated November 12, 2010 available at <http://www.sec.gov/rules/other/2010/finraletter111210-iardfees.pdf>.

⁴ The revised fee level for advisers in the largest category would newly include advisers that report assets under management of exactly \$100 million (not just over \$100 million). We are making this revision to track the new mid-sized adviser category for advisers reporting assets under management of \$25 million up to, but not including, \$100 million. *See* section 410 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub. L. No. 111-203, 124 Stat. 1376 (2010)).

advisers with assets under management from \$25 million to \$100 million; and \$225 for advisers with assets under management of \$100 million or higher. The recommended initial IARD filing fees due beginning January 1, 2011 are \$40 for advisers with assets under management under \$25 million; \$150 for advisers with assets under management from \$25 million to \$100 million; and \$225 for advisers with assets under management of \$100 million or higher. The revised filing fees would apply to all annual updating amendments filed by SEC-registered advisers beginning January 1, 2011 and to all initial applications for registration filed by advisers applying for SEC registration beginning January 1, 2011.

On December 2, 2010 we issued a notice indicating our intent to charge revised fees IARD filing fees for advisers registering or registered with the Commission. The notice gave interested persons an opportunity to request a hearing and stated that an order instituting revised IARD filing fees would be issued unless a hearing was ordered. No request for a hearing has been filed, and no hearing has been ordered.

IT IS THEREFORE ORDERED, pursuant to Sections 204(b) and 206(A) of the Investment Advisers Act of 1940, that:

For annual updating amendments to Form ADV filed on or after January 1, 2011, the filing fee due from SEC-registered advisers is \$40 for advisers with assets under management under \$25 million; \$150 for advisers with assets under management from \$25 million to \$100 million; and \$225 for advisers with assets under management of \$100 million or higher.

For initial applications to register as an investment adviser with the SEC filed on or after January 1, 2011, the filing fee due from SEC-registered advisers is \$40 for

advisers with assets under management under \$25 million; \$150 for advisers with assets under management from \$25 million to \$100 million; and \$225 for advisers with assets under management of \$100 million or higher.

By the Commission.

Elizabeth M. Murphy
Secretary