

SC Code of Regulations 13-403. Broker-Dealer, Agent, Investment Adviser, and Investment Adviser Representative Registrations, Terminations, and Brochure Delivery.

A. Investment Advisers.

(1) Initial Registration: The application for initial registration as an investment adviser pursuant to Sections 35-1-403(a) and 35-1-406(a) of the Act shall be made by completing the Form ADV (Uniform Application for Investment Adviser Registration) Parts 1 and 2 in accordance with the form instructions, and by filing the form electronically with the Investment Adviser Registration Depository (IARD) system. The application for initial registration shall also include the following:

- (a) A consent to service of process complying with R.13-603;
- (b) Proof of compliance by the investment adviser with the examination requirements of R.13-401;
- (c) The fee required by Section 35-1-702 of the Act;
- (d) The fees charged by the IARD or other designee of the Securities Commissioner for processing the filing;
- (e) The proposed client contract(s) that complies with R.13-502A(16), which shall be filed directly with the Securities Commissioner;
- (f) a balance sheet and an income statement as of a date within forty-five days from the date of filing of the application, which need not be audited, but which must be prepared in accordance with generally accepted accounting principles in the United States, or such other basis of accounting acceptable to the Securities Commissioner, and represented by the investment adviser as true and accurate using a form of verification acceptable to the Securities Commissioner, which shall be filed directly with the Securities Commissioner;
- (g) Proof of compliance, if applicable, with the minimum financial bonding requirements of R.13-405, which shall be filed directly with the Securities Commissioner; and
- (h) Any other information the Securities Commissioner may reasonably require.

(2) Annual Renewal: The application for annual renewal registration as an investment adviser pursuant to Sections 35-1-403(a) and 35-1-406(d) of the Act shall be filed before the current registration expires on December 31, and shall be filed electronically with the IARD. The application for annual renewal registration shall include the following:

- (a) The fee required by Section 35-1-702 of the Act;
- (b) The fees charged by the IARD or other designee of the Securities Commissioner for processing the filing; and
- (c) Any other information the Securities Commissioner may reasonably require.

(3) Updates and Amendments:

- (a) An investment adviser must file electronically with the IARD, in accordance with the instructions for the Form ADV, any amendments to the investment adviser's Form ADV;
- (b) An amendment will be considered to be filed promptly if the amendment is filed within thirty days of the event that requires the filing of the amendment; and
- (c) Within ninety days of the end of the investment adviser's fiscal year, an investment adviser must file electronically with the IARD an Annual Updating Amendment to the Form ADV.

(4) Complete Filing: An application for initial registration or renewal is not considered complete for the purposes of Sections 35-1-403(a), 35-1-406(a), and 35-1-406(d) of the Act, until the required fee and all required submissions have been received by the Securities Commissioner.

(5) Withdrawal: The application for withdrawal of registration as an investment adviser pursuant to Section 35-1-409 of the Act shall be completed by following the instructions for the Form ADV-W (Notice of Withdrawal from Registration as an Investment Adviser) and by filing the Form ADV-W electronically with the IARD.

B. Investment Adviser Representatives.

(1) **Initial Application:** The application for initial registration as an investment adviser representative pursuant to Sections 35-1-404(a) and 35-1-406(a) shall be made by completing the Form U-4 (Uniform Application for Securities Industry Registration or Transfer) in accordance with the form instructions, and by filing the Form U-4 electronically with the Central Registration Depository (CRD) system. The application for initial registration shall also include the following:

- (a) A consent to service of process complying with R.13-603;
- (b) Proof of compliance by the investment adviser representative with the examination requirements of R.13-401;
- (c) The fee required by Section 35-1-702 of the Act;
- (d) The fees charged by the CRD or other designee of the Securities Commissioner for processing the filing;
- (e) A criminal record history in compliance with R.13-404; and
- (f) Any other information the Securities Commissioner may reasonably require.

(2) **Annual Renewal:** The application for annual renewal registration as an investment adviser representative pursuant to Sections 35-1-404(a) and 35-1-406(d) shall be filed before the current registration expires on December 31, and shall be filed electronically with the CRD. The application for annual renewal registration shall include the following:

- (a) The fee required by Section 35-1-702 of the Act;
- (b) The fees charged by the CRD or other designee of the Securities Commissioner for processing the filing; and
- (c) Any other information the Securities Commissioner may reasonably require.

(3) **Updates and Amendments:**

- (a) The investment adviser representative is under a continuing obligation to update information required by the Form U-4 as changes occur;
- (b) An investment adviser representative and the investment adviser must electronically file promptly with the CRD any amendments to the representative's Form U-4; and
- (c) An amendment will be considered to be filed promptly if the amendment is filed within thirty days of the event that requires the filing of the amendment.

(4) **Complete Filing:** An application for initial registration or renewal is not considered complete for the purposes of Sections 35-1-404(a), 35-1-406(a), and 35-1-406(d) of the Act, until the required fee and all required submissions have been received by the Securities Commissioner.

(5) **Withdrawal:** The application for withdrawal of registration as an investment adviser representative pursuant to Section 35-1-409 of the Act shall be completed by following the instructions on the Form U-5 (Uniform Termination Notice for Securities Industry Registration) and by filing the Form U-5 electronically with the CRD.

C. Brochure Delivery. Investment advisers must comply with the terms of SEC Rule 204-3 of the Investment Adviser Act of 1940 (17 C.F.R. 275.204-3) regarding the delivery of brochures and brochure supplements.

D. Registration of FINRA Member Firms and their agents. FINRA member firms and their agents shall file all applications and amendments and pay all fees required for registration under the South Carolina Uniform Securities Act of 2005 with the CRD.

E. Registration of non-FINRA member broker-dealers and agents. Non-FINRA member firms and agents who cannot file via the CRD System must register directly with the Securities Commissioner, providing the information and using any form required for the filing of a uniform application and, upon request by

the Securities Commissioner, by providing any other financial or information or record that the Securities Commissioner determines is appropriate.