

**STATE OF LOUISIANA
OFFICE OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

**EXTENSION TO SATISFY THE INVESTMENT
ADVISOR REPRESENTATIVE EXAMINATION
OR CERTIFICATION TESTING REQUIREMENT**

ORDER

WHEREAS, the Louisiana Commissioner of Securities (“Commissioner”) has authority to administer and provide for the enforcement of the Louisiana Securities Law (“LSL”) set forth in LSA-R.S. 51:701, et seq. along with the rules and regulations promulgated thereunder;

WHEREAS, LSL requires registration as an investment advisor representative to provide investment advisory services in Louisiana;

WHEREAS, LSA-R.S.51:703(A)(2) states: It shall be unlawful for any person to transact business in this state as an investment adviser or investment adviser representative unless one of the following applies: (a) Such person is registered in the office of the Commissioner pursuant to the provisions of this Section; (b) Such person is registered as a dealer pursuant to the provisions of this Section; (c) The only clients of such person in this state are investment companies as defined in the Investment Company Act of 1940 or insurance companies;

WHEREAS, LSL provides that no investment advisor representative should be registered or renewed without passing an examination or certification set forth by the Commissioner pursuant to a rule;

WHEREAS, LSA-R.S.51:703(D)(4)(a) states: No applicant shall be registered as an investment adviser representative under this Part, nor shall any such registration be renewed, unless such investment adviser representative has passed a written examination, the form, content, and conduct of which the commissioner may prescribe by rule. The examination requirement provided for in this Subparagraph shall not apply to an individual holding one or more certifications that the commissioner may designate by rule;

WHEREAS, the Commissioner initially passed a rule on “Investment Adviser Registration Procedure” effective January 1, 2007 in LAC 10:XIII.1301-1311;

WHEREAS, Section 1303 of this rule addresses the examination requirements for investment advisor representatives in LAC 10:XIII.1303;

WHEREAS, Section 1305 sets forth waivers for those who have obtained professional certifications in LAC 10:XIII.1305;

WHEREAS, LSL was amended by Act 298 of the 2014 Regular Legislative Session to include an examination or certification testing requirement for investment adviser representatives employed by a federal covered adviser in order for the representatives to qualify to do business in Louisiana;

WHEREAS, LSA-R.S. 51:703(D)(4)(c) now provides: Beginning August 31, 2016, and thereafter, investment adviser representatives registered or required to be registered under this Part and who are employed by a federal covered adviser shall be required to satisfy the examination requirement or certification requirement as provided for in Subparagraph (a) of this Paragraph. The commissioner may adopt rules to implement the provisions of this Subparagraph;

WHEREAS, several registered investment advisor representatives employed by a federal covered adviser have expressed concern about being able to timely schedule and complete any outstanding examinations or certifications before August 31, 2016;

WHEREAS, LSL provides express authority for the Commissioner to make orders to carry out provisions of LSL that are consistent with public interest and intended policy of LSL;

WHEREAS, LSA-R.S. 51:710(A)(1) states in pertinent part: The commissioner, from time to time, may make, amend, and rescind rules, forms, compliance agreements, and orders as are necessary to carry out the provisions of this Part, where such action is consistent with the public interest and with the purpose fairly intended by the policy and provisions of this Part;

WHEREAS, based upon review of information submitted, the Commissioner finds that investment advisor representatives employed by a federal covered adviser that are currently registered under LSL should be given up to an additional one (1) year to comply with the examination or certification testing requirement;

WHEREAS, after due deliberation, the Commissioner finds that the entry of this Order is necessary to carry out the provisions of LSL, such action is consistent with the public interest, and consistent with the purpose fairly intended by the policy and provisions of the LSL:

NOW, THEREFORE, pursuant to the authority established in LSA-R.S. 51:703 and LSA-R.S. 51:710, and based upon the information submitted for his consideration:

IT IS ORDERED that investment advisor representatives employed by a federal covered adviser registered under Louisiana Securities Law on August 31, 2016, should be given up to an additional one (1) year through August 31, 2017, to comply with the examination or certification testing requirement.

This Order shall remain effective until modified, superseded, withdrawn, rescinded or vacated by the Commissioner or other lawful authority.

WITNESS MY HAND AND SEAL THIS 19th DAY OF MAY, 2016.


John Ducrest, Commissioner of Securities