

INVESTMENT ADVISER ASSOCIATION

The SEC took seriatim action today to extend the date on which firms need to begin complying with the final municipal advisor rules until July 1, 2014. Following is a statement by IAA General Counsel Karen Barr:

“We commend the SEC for extending the date for compliance with the final municipal advisor registration rules until July 1, 2014.

Some SEC-registered investment advisers have an affiliated bank that serves as a trustee/fiduciary to a fund in which governmental entities may invest. These firms have been experiencing significant practical difficulties in determining whether assets invested in the fund represent proceeds of municipal securities, in which case they may have to register as municipal advisors. This extension will allow these firms more time to assess their registration status and meet their compliance obligations.

In addition, we are very pleased that the SEC staff on Friday issued an FAQ confirming our view regarding the scope of the registered investment adviser exclusion. We commend the SEC staff for its diligent efforts to issue this guidance before the January 13 deadline.”

The SEC’s press release is available at: <http://www.sec.gov/News/PressRelease/Detail/PressRelease/1370540618042>

Please contact IAA General Counsel Karen Barr at 202-293-4222 should you have any questions.