



Jesse White

SECRETARY OF STATE

NEWS

For Immediate Release:
October 7, 2005

For More Information Contact:
Elizabeth Kaufman

SECRETARY OF STATE WHITE ANNOUNCES SYSTEM FEE WAIVER & REDUCTION FOR INVESTMENT ADVISERS

Secretary of State Jesse White announced today a one-year waiver of system renewal fees paid by state-regulated investment advisers and all investment adviser representatives for registration in the Investment Adviser Registration Depository (IARD) program.

The waiver is in place because the IARD system has generated revenue that exceeded its projections. The waiver will help reduce the surplus to an appropriate amount.

White also announced that the Secretary of State's Office is reducing system fees by 30 percent to state-regulated investment advisers on an on-going basis due to the surplus.

White said Illinois is waiving payment of IARD system renewal fees by state-regulated investment advisers and all investment adviser representatives. Currently, state-regulated investment adviser firms pay an annual system fee of \$100 and individual representatives pay an annual system fee of \$45. White also announced that the system fees paid by investment advisers will be reduced by 30 percent to \$70 on an on-going basis.

"The waiver and reduction in system fees does not apply to the state-mandated fees paid by firms and representatives to register in Illinois. Therefore, these actions will in no way impact state revenue," White said.

White stated that the fee waivers and reductions would save investment advisers that file in Illinois an estimated \$700,000 related to their 2006 renewal filings.

White said IARD system fees are used for user and system support along with periodic enhancements to the system. White attributed the reduction in system fees primarily to the overwhelming support of the states in mandating the use of the IARD system for registrants. As a result more investment advisers and investment adviser representatives have registered through the system than originally anticipated.

"Since its inception, the IARD system has exceeded expectations," White said. "The system provides streamlined registration procedures for investment advisers and their representatives, promotes consistency, and allows investors to research the employment and disciplinary histories of more than 21,000 investment adviser firms and eventually 200,000 individual investment adviser representatives nationwide. I am pleased that IARD's success has allowed us to grant a waiver and reduction in the system fees."

The IARD system is an Internet-based national database sponsored by NASAA and the U.S. Securities and Exchange Commission and operated by NASD in its role as a vendor. White said IARD provides a single nationwide database for the collection and dissemination of information about individuals and firms in the investment advisory field; and offers investment advisers and representatives a single source for filing state and federal registration and disclosures.

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