



\_\_\_\_ Vicki Schmidt, Commissioner \_\_\_\_\_

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**INVESTMENT ADVISER**  
**AND INVESTMENT ADVISER REPRESENTATIVE**  
**RENEWALS FOR 2024**

**Renewal Program Bulletin:** The 2024 IARD Renewal Program Bulletin is now available at <https://iard.com/renewal-program>. This bulletin provides renewal information and step-by-step instructions on how to renew your investment adviser firm and representatives electronically via the CRD/IARD system.

**Key Dates:**

- **November 6, 2023** – Preliminary Renewal Statements are available in E-Bill.
- **December 11, 2023** – Deadline for payment of renewal fees per the Preliminary Renewal Statements. *Note: The Office of the Kansas Securities Commissioner (KSC) has ceased the moratorium on securities act fees. As a result, firms and individuals registering or renewing their registration in Kansas will be charged a fee of \$50 and \$30, respectively. For more information about the securities fees visit: <https://insurance.kansas.gov/securities/industry-professionals>*
- **December 26, 2023 (6:00 p.m. ET)** – Deadline for form filings with the CRD/IARD system. After this date and time, only queries can be made to the system until full functionality begins in January 2024. Firms can create draft form filings in FINRA Gateway during the CRD/IARD shutdown; however, these draft form filings can only be submitted when CRD/IARD is available.
- **January 2, 2024 (5:00 a.m. ET)** – CRD and IARD are available with complete functionality. Final Statements are available in E-Bill.

**What's New:**

**Investment Adviser Training:** Starting in February 2024, KSC will host a one-day event that will be held at three locations throughout Kansas: Wichita, the KC area, and at our home office. Be on the lookout for additional details on how to register for this free event.

**Investor Education:** Our educational website got a new look! If you haven't checked it out recently, be sure to visit KSC's <https://smartinvestks.com/> and share this website with other industry professionals, clients, friends, and family.

**IAR CE and EVEP:** KSC has not adopted the NASAA IAR CE or EVEP Model Rules. However, beginning in 2024, an IAR may fail to renew in IAR CE states and that could impact your registration status in other states. Don't know where to start? NASAA has you covered. Visit [www.nasaa.org/iarce](http://www.nasaa.org/iarce).

**Marketing Activities:** Form ADV Part1A Item 5L is a mandatory field for all filers. This field was created in response to the SEC's revised Rule 206(4)-1, also known as the SEC Marketing Rule. KSC has not adopted this revised rule; Rule 206(4)-1 as in effect on May 12, 2015, remains applicable; and responses to Item 5L by Kansas-registered investment advisers should be answered consistent with practices under the applicable rule.

**Reminders:**

**Form ADV Amendments:** Annual updating amendments are to be filed with IARD within 90 days after the end of your fiscal year. This is in addition to the requirement that amendments be filed when material changes occur (per Form ADV Instructions). Form ADV, Parts 1 and 2A, and the brochure supplements (Part 2B) for each supervised person doing business in Kansas, are to be filed electronically every year.

**Form U4 & Form U5 Updates:** K.A.R. 81-14-1(c)(3) states that each investment adviser representative shall be under a continuing obligation to update the information required by the Form U4 as changes occur. Each investment adviser representative and any associated investment adviser shall file promptly, within 30 days of the event, any amendments to the representative's Form U4 electronically through CRD. When filing a Form U5 for Termination or a Form U4 for a Disclosure on an individual associated with the firm, the firm is reminded to complete the Forms accurately and according to the Form instructions.

**Filing an ADV-W:** If you will be withdrawing your firm's registration in the state of Kansas, there are certain steps you should take to ensure it is a smooth process. Please reach out to KSC staff to obtain a copy of KSC's recommendations.

***Failure to file amendments to Form ADV and/or Form U4 as required may result in administrative action.***

**Recordkeeping requirements:** With the rise of online platforms and AI powered advising, KSC staff would like to remind advisers that they are required to provide copies of executed agreements relating to the adviser's business as an investment adviser. This includes agreements executed between the firm and third-party managers, and **all** agreements the firm's clients have executed with or through the firm and any third-party advisers including, but not limited to, any co-adviser, tri-party, robo-advisor, including those utilizing AI. Many of the requirements for recordkeeping can be found in K.A.R. 81-14-4.

**Cybersecurity:** Kansas law requires that advisers maintain procedures to protect and preserve electronically stored records to reasonably safeguard them from loss, alteration, or destruction, and to protect personal information from unauthorized access, use, modification, or disclosure. K.A.R. 81-14-4(h); K.S.A 50-7a02, 50-6,139b. KSC recommends that investment advisers establish a cybersecurity program, that includes identification/evaluation of the firm's cybersecurity risks by implementing policies and procedures designed to protect clients' personal information, an annual risk assessment of the adequacy of the firm's cybersecurity practices, and an incident response plan in the event of a security breach.

**Preparing for the future?** If you are planning to hang your securities hat or worried about what happens to your clients should something happen to you, putting a Business Continuity or Succession Plan in place can help protect your clients. NASAA has put together a resource to help get you started: <https://www.nasaa.org/industry-resources/investment-advisers/resources/compliance-matters-business-continuity/>

If you have questions, you can contact the Office of the Kansas Securities Commissioner at 785-296-2124 or the FINRA/Gateway Call Center at 240-386-4848. You may also contact one of the KSC staff listed below:

Juell Hitt  
Chief of Registration  
[juell.hitt@ks.gov](mailto:juell.hitt@ks.gov)  
785-296-5215

John Hesse  
Chief of Compliance  
[john.hesse@ks.gov](mailto:john.hesse@ks.gov)  
785-296-3911

For regulatory changes and other pertinent industry information, please visit our website at <https://securities.kansas.gov/>.