

Chapter Four: Transitioning Investment Adviser Firms and Organization Non-Filing Information

About this Section

This section contains information pertaining to transitioning existing Investment Adviser Firms, maintaining firm notification information and viewing mass transfer history.

Completion Objectives

At the completion of this section the user will be able to:

- Explain the purpose of transitioning for Investment Adviser firms
- Create a transition filing for an existing state-registered adviser
- Create a transition filing for an existing SEC-registered adviser
- Maintain firm notification information
- View mass transfer history

In this Section

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About Transitioning for Existing Investment Adviser Firms

Before an existing Investment Adviser firm files its electronic Form ADV filing, the adviser must update the IARD system to reflect the state(s) with which the adviser is currently registered or Notice Filed. This process is called submitting a "transition filing." By submitting a transition filing, the adviser ensures that they are not charged for state registration or Notice Filing fees paid prior to filing through IARD. Therefore, before submitting an electronic Form ADV to the SEC or to state securities regulators, the Investment Adviser firm should submit data, through the Non-Filing Information function in IARD that will either:

- SEC Registrants – identify the states to which the Investment Adviser firm currently provides Notice Filings.
- State Registrants – identify the states with which the Investment Adviser firm is currently registered. **NOTE:** Effective 4/23/2007 with the 9.0 release of CRD, only Florida, Kentucky, South Carolina, and West Virginia will accept transition filings.

Submitting the transition filing will pre-populate IARD with the Investment Adviser firm's record of all existing state registrations and Notice Filings. At this time, the firm's registration or Notice Filing status is Transition Requested. The transition filing will appear in the state(s)' Transition Queue where the state(s) will validate the registration or Notice Filing and enter the date the firm first became registered or Notice Filed in that state. Subsequently, the firm's registration or Notice Filing status in IARD will reflect the firm's current registration or Notice Filing status in each state.

Once a transition filing has been approved by the state, the firm can submit an electronic Form ADV filing. To create a Form ADV filing, see steps 1 through 9 on page 5-6, Steps for Creating a Form ADV Filing.

NOTE: Form ADV can be submitted prior to state action on a transition filing.

All SEC-registered firms should have transitioned onto IARD as of August 31, 2001. If your firm has not transitioned, contact the SEC for further instruction.

Remember: First identify existing states that you are currently registered in or with which you are Notice Filed. Then, file your first electronic form filing. This process allows data to be entered into IARD without incurring duplicate registration or Notice Filing fees.

About Maintaining Firm Notification Information

Through CRD Organization Non-Filing Information, firms can request automatic e-mail reminders be sent from CRD to designated individuals at the firm whenever any or all of the following 20 conditions occur:

Registration

- Notify when an individual's examination status changes.
- Notify when an individual's registration request is T_NOU5 (terminated without a Form U5)
- Notify when an individual with deficient registration is Eligible to Purge within the next 30 days
- Notify when an individual's registration request has been Denied.
- Notify when an individual's registration has been Revoked.
- Notify when a registered individual enters Firm Temporary Registration Cancellation Queue.
- Notify when a U5 is submitted by another firm.

Disclosure

- Notify when a Bankruptcy has expired for a registered individual with the firm
- Notify when a Customer Complaint has expired for a registered individual with the firm
- Notify when a U6 is filed against a registered firm
- Notify when a U6 is filed against an individual registered with the firm
- Notify when registered individual enters Firm Outstanding Disclosure Letters Notice Queue

Branch

- Notify when a branch registration is approved
- Notify when a branch is deficient

Other

- Notify when Firm account balance is 'Deficient'
- Notify when firm account balance has gone below \$0.00
- Notify when firm account balance has gone below \$10,000.00
- Notify when firm account balance has gone below \$3,000.00
- Notify when firm account balance has gone below \$500.00
- Notify when a filing has failed submission
- Notify when registered individual enters Other U4 Filing Notice Queue

SEC Investment Advisers Email Notifications

SEC investment advisers receive systematically-generated email notifications whenever the following event based or time based situations occur:

1. Event Based Notifications:
 - a. Notify when Contact Email address is updated
 - i. This email is generated when a firm's email address has been added or updated on Form ADV. The email requests that the firm confirm the email address by visiting a designated URL.
 - b. Notify IA Firm when SEC registration is approved
 - c. Notify IA Firm when SEC registration is cancelled
 - i. This email is generated when a firm's IA SEC registration status changes to "Cancelled" or "Revoked" from any other status.
 - d. Notify IA Firm when SEC registration is suspended
2. Time Based Notifications:
 - a. Notify IA Firm of obligation to update annual amendment (60 days before filing is due)
 - b. Notify IA Firm of obligation to update annual amendment (30 days before filing is due)
 - c. Notify IA Firm of delinquent filing – 30 days past due
 - d. Notify IA Firm of delinquent filing – 60 days past due
 - e. Notify IA Firm of delinquent filing – 90 days past due – Notice of possible cancellation
 - f. 120-day Deadline Approaching – 60 days before filing is due
 - g. 120-day Deadline Approaching – 30 days before filing is due
 - h. Possible 120-day Cancellation Notification

Steps for Creating a Transition Filing for an Existing State-Registered Adviser:

Access Transition State Registrations

There are three ways to access **Transition State Registrations**:

1. From the IARD Site Map, click the **New Filing** hyperlink and choose the **Submit Transition Registrations** hyperlink.



OR

- 1a. From the IARD Site Map, click the **Transition State Registrations** hyperlink, in the Organization column under Non-Filing Information.



OR

- 1b. Click the **Organization** Tab from the Tool Bar, choose **Non-Filing Info** from the Sub-Menu.



<p>Access Transition State Registrations (Continued)</p>	<p>[Result:] The <i>State Registration Transition</i> screen opens.</p> <div data-bbox="467 289 1356 772" style="border: 1px solid black; padding: 10px;"> </div>
<p>Complete the Transition Filing</p>	<p>2. Place a check mark in the box(es) for each state that your firm is currently registered.</p> <p>3. Click the Send to States button.</p> <p>[Result:] The <i>Warning</i> screen opens.</p> <div data-bbox="467 1060 1356 1648" style="border: 1px solid black; padding: 10px;"> <p style="text-align: center;">*** WARNING ***</p> <p>You have checked the boxes for states thus stating you are registered as an investment adviser with certain states. Be very careful that your State Registration information is accurate. This State Registration information is sent directly to state regulators for verification. As a state registered adviser you will be required to complete Form ADV Part 1B. Submitting inaccurate State Registration information could cause problems with your Form ADV filing.</p> <p>Special Warning for SEC-registered advisers: Most SEC-registered advisers send <i>Notice Filings</i> to states and are not <i>registered</i> with those states.</p> <p>To review the states you marked in the State Registrations transition screen, hit the "back" button on your web browser. You can amend the State Registrations transition screen by clicking the "Reset" button at the bottom of the screen.</p> <p>If you intended to transition <i>State Notice Filing</i> information, not State Registrations, please click the "NO" button below and click on "Transition State Notice" from the side Navigation Panel.</p> <p>Once you click the "YES" button below, you cannot amend your State Registration transition information.</p> <p style="text-align: center;">Do you want to send your State Registration transition information to the states?</p> <p style="text-align: center;"> <input type="radio"/> Yes <input type="radio"/> No </p> </div> <p>4. Read the <i>Warning</i> screen and click the Yes button once you have confirmed that the state(s) marked are accurate. If the boxes selected are <u>not</u> accurate, click the No button and return to step 2 to complete your transition filing.</p>

Complete the Transition Filing
(Continued)

[Result:] The *State Registration Transition* screen opens indicating that the information was saved.

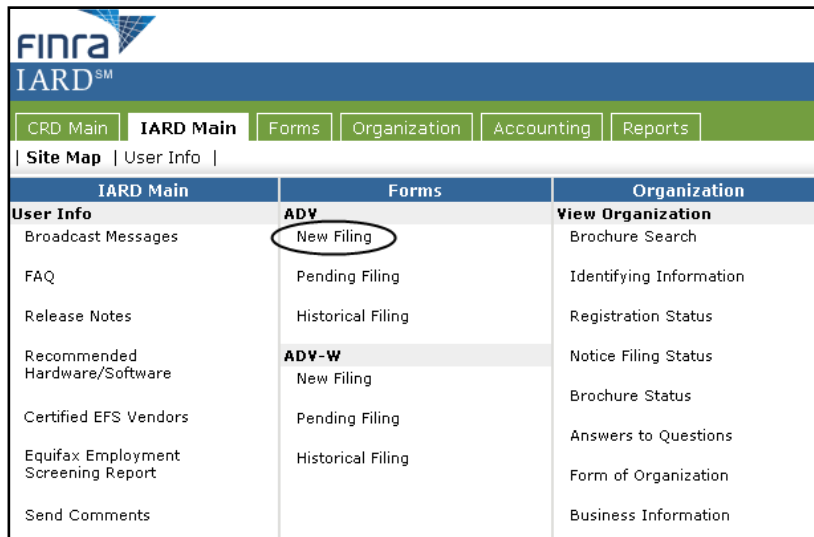
The screenshot shows a web interface with a success message "The information was saved." circled in red. Below the message is a help icon and a "Printer Friendly" link. A paragraph of text explains that state registrants must indicate current registration states to avoid IARD charges. The main heading is "State Registration Transition". Below this, there are two columns of information: "Organization CRD#: 0000" and "View BD Record" on the left; "Primary Business Name: SECURITIES FIRM", "Full Legal Name: SECURITIES FIRM", and "Electronic Filer" on the right. At the bottom, there is a list of states with checkboxes: FL, KY, SC (checked), and WV.

Steps for Creating a Transition Filing for an Existing SEC-Registered Adviser:

Access Transition Notice Filings

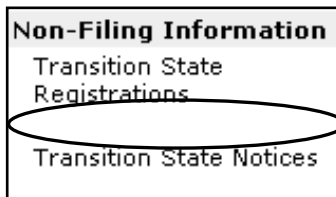
There are three ways to access **Transition Notice Filings**:

1. From the IARD Site Map, click the **New Filing** hyperlink and choose the **Submit Transition Notice Filings** hyperlink.



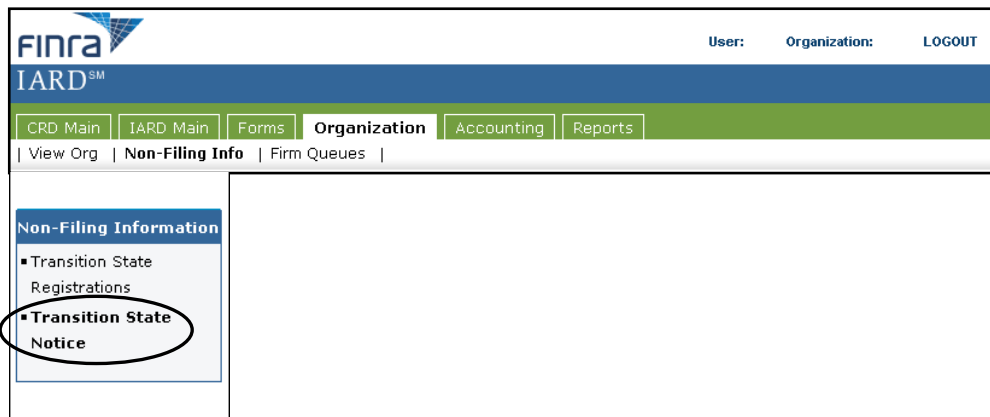
OR

- 1a. From the IARD Site Map, click the **Transition State Notices** hyperlink in the Organization column under Non-Filing Information.



OR

- 1b. Click the **Organization** Tab from the Tool Bar, choose **Non-Filing Info** from the Sub-Menu and click **Transition State Notice** on the Navigation Bar.



<p>Access Transition Notice Filings (Continued)</p>	<p>[Result:] The <i>State Notice Transition</i> screen opens.</p> <div data-bbox="467 327 1406 823" style="border: 1px solid black; padding: 10px;"> </div>
<p>Complete the Transition Filing</p>	<ol style="list-style-type: none"> 2. Place a check mark in the box(es) for each state that your firm is currently Notice Filed. 3. Click the Send to States button. <p>[Result:] The <i>Warning</i> screen opens.</p> <div data-bbox="516 1163 1382 1730" style="border: 1px solid black; padding: 10px;"> <p style="text-align: center;">*** WARNING ***</p> <p>You have marked that you are required to send Notice Filings to certain states. Be very careful that your Notice Filing transition information given is accurate. This Notice Filing transition information is sent directly to state regulators for verification. Submitting inaccurate Notice Filing transition information could cause problems with your Form ADV filing.</p> <p>We understand that some advisers voluntarily send states courtesy copies of their Form ADV filings, even if the advisers are not officially required to send Notice Filings to those states. Do NOT mark those states in your Notice Filing transition.</p> <p style="text-align: center;">You should only mark states where Notice Filings are required to be filed.</p> <p>To review the states you marked in the Notice Filings transition screen, hit the "back" button on your web browser. You can amend the Notice Filings transition screen by clicking the "Reset" button at the bottom of the screen.</p> <p>If you intended to transition <i>State Registrations</i>, not State Notice Filings, please click on the "NO" button below and click on "Transition State Registrations" from the side Navigation Panel.</p> <p style="text-align: center;">Once you click the YES button below, you cannot amend your Notice Filing information.</p> <p style="text-align: center;">Do you want to send your Notice Filing transition information to the states?</p> <p style="text-align: center;"> <input checked="" type="radio"/> Yes <input type="radio"/> No </p> </div> <ol style="list-style-type: none"> 4. Read the <i>Warning</i> screen and click the Yes button once you have confirmed that the states marked are accurate. If the boxes selected are <u>not</u> accurate, click the No button and return to step 2.

Complete the Transition Filing (Continued)

[Result:] The *State Notice Transition* screen opens indicating that the information was saved.

The screenshot shows a web interface for the 'State Notice Transition' process. At the top right, there is a 'Printer Friendly' link. A message bubble at the top center states 'The information was saved.' Below this, a note for SEC Registrants explains that users must indicate the states where they currently provide Notice Filings. The main section is titled 'State Notice Transition' and contains the following information:

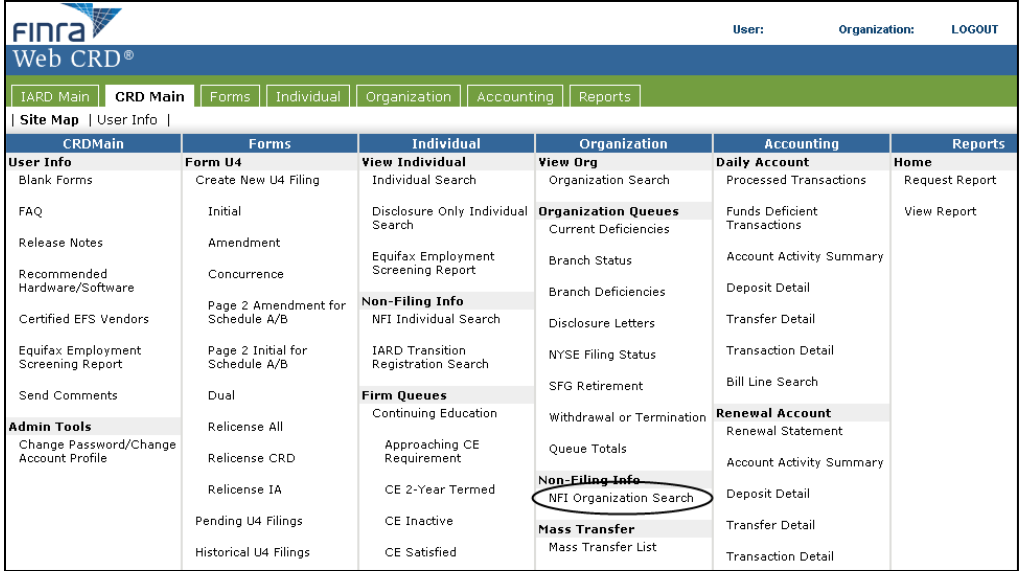
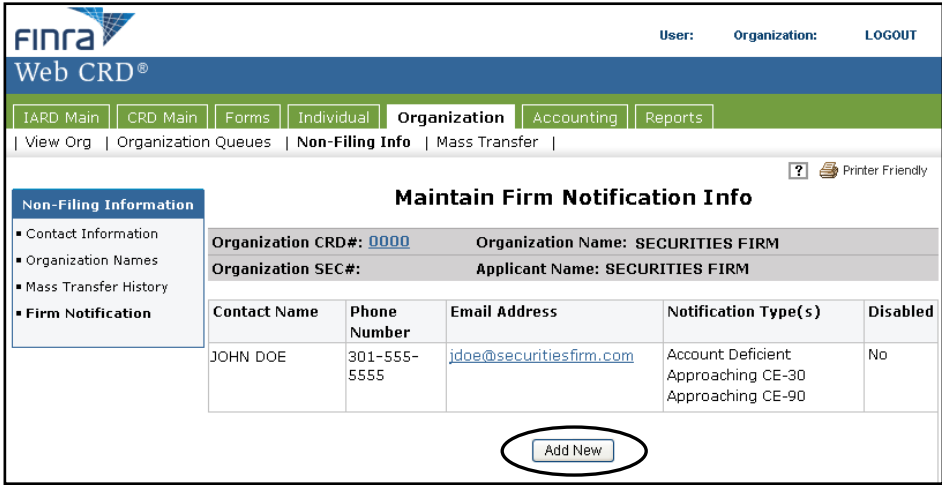
- Organization CRD#: [0000](#)
- Organization SEC#: [View BD Record](#)
- Primary Business Name: SECURITIES FIRM
- Full Legal Name: SECURITIES FIRM
- Electronic Filer

Below this information is a list of states with checkboxes:

- CA
- FL
- KY
- WV

At the bottom of the form are two buttons: 'Send to States' and 'Reset'.

Steps for Adding a Firm Notification Contact Person and Choosing Firm Notification Types:

<p>Access Firm Notification</p>	<p>1. From the CRD Site Map, click the NFI Organization Search hyperlink.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;">  </div>
<p>Adding a Contact Person (to receive firm notification e-mails) and Choosing Firm Notification Types</p>	<p>2. Click Firm Notification from the Navigation Bar.</p> <p>[Result:] The <i>Maintain Firm Notification Info</i> screen opens.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;">  </div> <p>NOTE: If there are existing contacts, their names are displayed indicating the phone number, email address and specific notification type(s) that the contact receives. Different individuals can be contacts to receive different firm notifications.</p> <p>3. To add a new contact person to receive firm notification emails and designate which firm notification type(s) the contact will receive, click the Add New button.</p>

Adding a Contact Person (to receive firm notification e-mails) and Choosing Firm Notification Types (Continued)

[Result:] The *Maintain Firm Notification Request* screen opens.

Maintain Firm Notification Request	
Organization CRD#: 0000	Organization Name: SECURITIES FIRM
Contact Name	<input type="text"/>
Contact Phone Number	<input type="text"/>
Email Address	<input type="text"/>
Notification Types	<p>Registration</p> <p><input type="checkbox"/> Notify when an individual's examination status changes</p> <p><input type="checkbox"/> Notify when an individual's registration request is T_NOU5</p> <p><input type="checkbox"/> Notify when an individual with deficient registration is Eligible to Purge within the next 30 days</p> <p><input type="checkbox"/> Notify when an individual's registration request has been Denied.</p> <p><input type="checkbox"/> Notify when an individual's registration has been Revoked.</p> <p><input type="checkbox"/> Notify when a registered individual enters Firm Temporary Registration Cancellation Queue</p> <p><input type="checkbox"/> Notify when a U5 is submitted by another firm</p> <p>Disclosure</p> <p><input type="checkbox"/> Notify when a Bankruptcy has expired for a registered individual with the firm</p> <p><input type="checkbox"/> Notify when a Customer Complaint has expired for a registered individual with the firm</p> <p><input type="checkbox"/> Notify when a U6 is filed against a registered firm</p> <p><input type="checkbox"/> Notify when a U6 is filed against an individual registered with the firm</p> <p><input type="checkbox"/> Notify when a registered individual enters Firm Outstanding Disclosure Letters Notice Queue</p> <p>Other</p> <p><input type="checkbox"/> Notify when Firm account balance is 'Deficient'</p> <p><input type="checkbox"/> Notify when firm account balance has gone below \$0.00</p> <p><input type="checkbox"/> Notify when firm account balance has gone below \$10,000.00</p> <p><input type="checkbox"/> Notify when firm account balance has gone below \$3,000.00</p> <p><input type="checkbox"/> Notify when firm account balance has gone below \$500.00</p> <p><input type="checkbox"/> Notify when a filing has failed submission</p> <p><input type="checkbox"/> Notify when a registered individual enters Other Firm U4 Filing Notice Queue</p> <p>Branch</p> <p><input type="checkbox"/> Notify when a branch registration is approved</p> <p><input type="checkbox"/> Notify when a branch is deficient</p>
<input type="button" value="Save"/> <input type="button" value="Reset"/>	

5. Type the **Contact Name**, **Contact Phone Number** and **Email Address** in the fields.

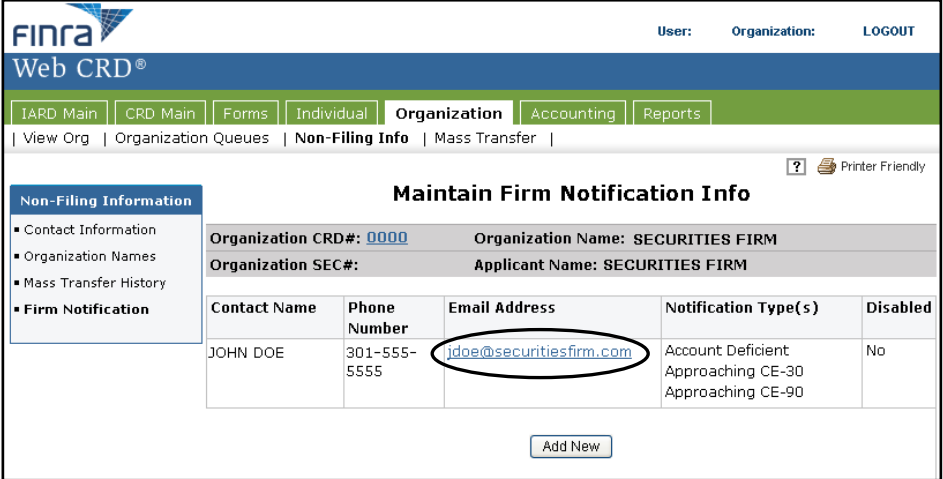
NOTE: Only the Notifications listed on pages 4-2 to 4-3 will be sent to this email address.

6. Click the box(es) to specify notification type.

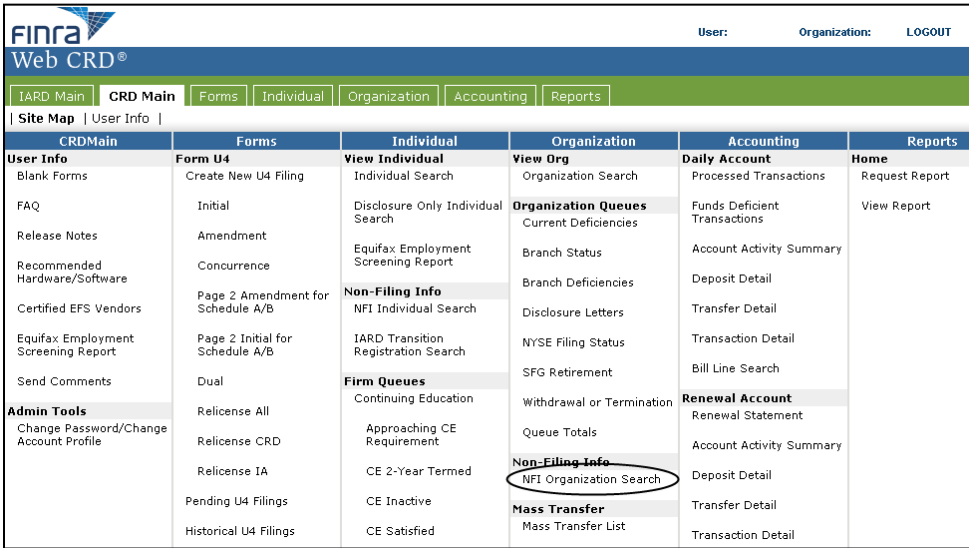
NOTE: Firms may choose one individual at the firm to receive all of the e-mails selected, or a firm can input a different e-mail contact for each Firm Notification it selects.

7. Click the **Save** button.

Steps for Changing/Deleting a Firm Notification Contact Person and/or Firm Notification Types:

<p>Access Firm Notification</p>	<p>1. To access Firm Notification, see steps 1 and 2 on page 4-10.</p>
<p>Changing/Deleting Contact Information and/or Notification Types</p>	<p>2. Click Firm Notification from the Navigation Bar.</p> <p>[Result:] The <i>Maintain Firm Notification Info</i> screen opens.</p>  <p>3. Click the Email Address hyperlink.</p> <p>[Result:] The <i>Maintain Firm Notification Request</i> screen opens.</p> <p>4. To change the Contact Name, Contact Phone and/or Email Address, highlight the existing information in the fields and type the new Contact Name, Contact Phone and/or Email Address.</p> <p>5. To remove specific firm notification(s) for this contact person, click the box(es) to remove the check mark(s) from the notification types.</p> <p>6. To add additional notification(s) for this contact person, click the box(es) to specify notification type.</p> <p>7. To delete a contact person and all of his/her firm notification types, click the Delete button.</p> <p>8. Click the Save button.</p>

Steps for Viewing Mass Transfer Information:

<p>Access Mass Transfer History</p>	<p>1. From the CRD Site Map, click the NFI Organization Search hyperlink.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;">  </div>																																							
<p>View Mass Transfer History</p>	<p>[Result:] The <i>View Mass Transfer History</i> screen opens.</p> <div style="border: 1px solid black; padding: 10px; margin: 10px 0;"> <div style="text-align: right; font-size: small;"> Printer Friendly </div> <h3 style="text-align: center; margin: 0;">View Mass Transfer History</h3> <table border="1" style="width: 100%; border-collapse: collapse; margin: 5px 0;"> <tr> <td colspan="2">Organization CRD#: 0000</td> <td colspan="2">Organization Name: SECURITIES FIRM</td> </tr> <tr> <td colspan="2">Organization SEC#:</td> <td colspan="2">Applicant Name: SECURITIES FIRM</td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse; margin: 5px 0;"> <thead> <tr> <th rowspan="2">Mass Transfer ID</th> <th colspan="2">Predecessor</th> <th colspan="2">Successor</th> <th rowspan="2">Type</th> <th rowspan="2">Type of Individual</th> <th rowspan="2">Status</th> <th rowspan="2">Effective Date</th> </tr> <tr> <th>Name</th> <th>CRD #</th> <th>Name</th> <th>CRD #</th> </tr> </thead> <tbody> <tr> <td>121677</td> <td>PREDECESSOR FIRM A</td> <td>1111</td> <td>SECURITIES FIRM</td> <td>0000</td> <td>PARTIAL MERGER</td> <td>All Registrations</td> <td>RETIRED</td> <td>01/02/1997</td> </tr> <tr> <td>165260</td> <td>PREDECESSOR FIRM B</td> <td>2222</td> <td>SECURITIES FIRM</td> <td>0000</td> <td>MERGER</td> <td>All Registrations</td> <td>RETIRED</td> <td>04/02/2007</td> </tr> </tbody> </table> </div>	Organization CRD#: 0000		Organization Name: SECURITIES FIRM		Organization SEC#:		Applicant Name: SECURITIES FIRM		Mass Transfer ID	Predecessor		Successor		Type	Type of Individual	Status	Effective Date	Name	CRD #	Name	CRD #	121677	PREDECESSOR FIRM A	1111	SECURITIES FIRM	0000	PARTIAL MERGER	All Registrations	RETIRED	01/02/1997	165260	PREDECESSOR FIRM B	2222	SECURITIES FIRM	0000	MERGER	All Registrations	RETIRED	04/02/2007
Organization CRD#: 0000		Organization Name: SECURITIES FIRM																																						
Organization SEC#:		Applicant Name: SECURITIES FIRM																																						
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165260	PREDECESSOR FIRM B	2222	SECURITIES FIRM	0000	MERGER	All Registrations	RETIRED	04/02/2007																																



Tips for Transitioning Investment Adviser Firms and Organization NFI

- To be able to submit a “transition filing”, be sure that your Account Administrator has entitled you with the following privilege: Investment Adviser – IA Organization – IA Non-Filing Information – Transitions
- A “transition filing” cannot be submitted if a pending filing exists. The pending filing should either be submitted or deleted so that the transition filing can be submitted.
- Be sure to change the e-mail address under Firm Notifications when the person that handles that e-mail goes on vacation or leaves the firm; or the individual who receives the e-mail notifications can request that the firm’s technical support staff temporarily forwards his/her e-mail to another individual’s mailbox.
- One notification is sent out per notification type and not for each individual affected by the notification.
- Transitioning for Investment Adviser Firms occurs in **IARD**. Maintaining firm notifications and viewing mass transfer history occur in **CRD**.

Additional Information

SEC Investment Advisers Email Notifications

SEC investment advisers receive systematically-generated email notifications whenever the following event based or time based situations occur:

3. Event Based Notifications:
 - a. Notify when Contact Email address is updated
 - i. This email is generated when a firm’s email address has been added or updated on Form ADV. The email requests that the firm confirm the email address by visiting a designated URL.
 - ii. This email is generated when a firm’s email address has been added or updated on a partial Form ADV-W and the ADV-W is not terminating the SEC registration. The email requests that the firm confirm the email address by visiting a designated URL.
 - b. Notify IA Firm when SEC registration is approved
 - c. Notify IA Firm when SEC registration is cancelled
 - i. This email is generated when a firm’s IA SEC registration status changes to “Cancelled” or “Revoked” from any other status.
 - d. Notify IA Firm when SEC registration is suspended
4. Time Based Notifications:
 - a. Notify IA Firm of obligation to update annual amendment (60 days before filing is due)
 - b. Notify IA Firm of obligation to update annual amendment (30 days before filing is due)
 - c. Notify IA Firm of delinquent filing – 30 days past due
 - d. Notify IA Firm of delinquent filing – 60 days past due
 - e. Notify IA Firm of delinquent filing – 90 days past due – Notice of possible cancellation
 - f. 120-day Deadline Approaching – 60 days before filing is due
 - g. 120-day Deadline Approaching – 30 days before filing is due
 - h. Possible 120-day Cancellation Notification

Example of SEC Investment Adviser Email Notification

From: SECIARDNotifications
Sent: Friday, October 28, 2005 5:09 PM
To: Doe, John
Subject: Your Email Concerning Investment Adviser Registration with the SEC

You recently attempted to reply to an email from SEC IARD Notifications@finra.org concerning your investment adviser registration with the U.S. Securities and Exchange Commission. You cannot contact the SEC or FINRA at this email address.

Please address your communication to one of the contacts below:

For questions related to policy, interpretation, or regulatory requirements for SEC-registered investment advisers, contact the SEC at:

202.551.6999
IARDLIVE@sec.gov

For questions regarding the status of SEC Form ADV filings after submission, contact the SEC at:

202.551.7250

For questions related to IARD accounting or system entitlement, navigation, and usage, contact FINRA's Gateway Call Center at:

240.386.4848
webiard@finra.org

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