



IARD

Form ADV-E

About Form ADV-E

In December 2009, the SEC approved amendments to the custody rule under the Investment Advisers Act of 1940 and related forms. The amendments, among other things, require most registered investment advisers that have custody of client funds or securities to undergo an annual surprise examination by an independent public accountant to verify client funds and securities. The SEC requested that FINRA build and deploy an automated means to submit the Form ADV-E electronically. Form ADV-E submission is now automated through IARD as a form filing type.

A complete ADV-E filing consists of a uniform cover page and a certificate of accounting (surprise examination report or termination statement) of securities and funds in possession or custody of an investment adviser. The surprise examination report is created by an independent accountant after a surprise inspection of the adviser/custodian. The Form ADV-E filing and the surprise examination report or statement filed by the accountant will be made public information and will be available to the public on www.adviserinfo.sec.gov.

Form ADV-E can be accessed via the IARD™ sitemap. Form filing entitlement privileges are required to submit filings via IARD. For questions regarding your entitlement privileges, contact your firm's Super Account Administrator or Account Administrator.

Contents:

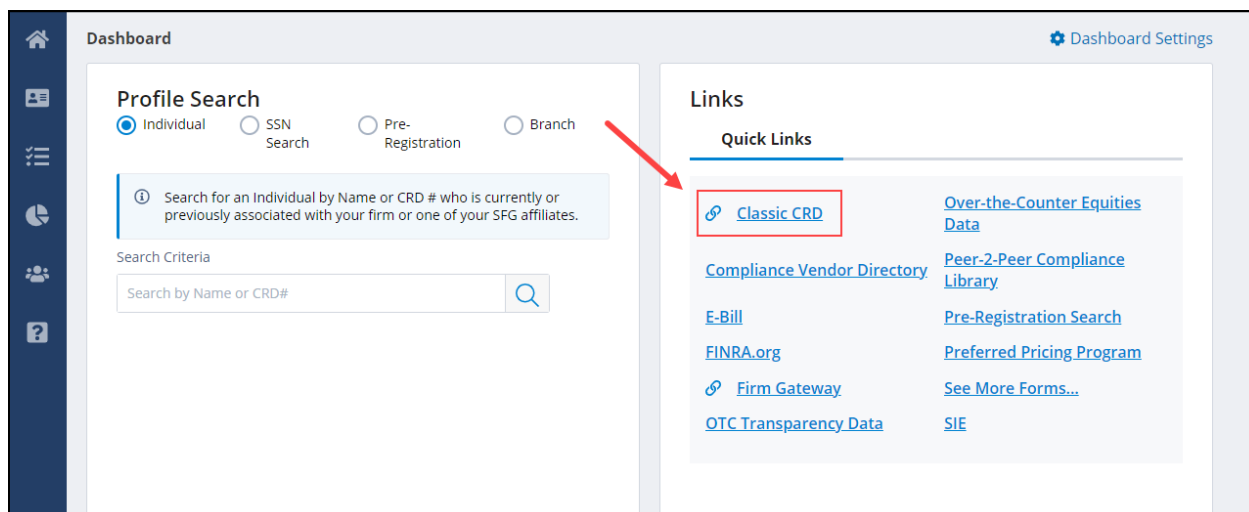
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Questions on IARD? Call the IARD Hotline at 240-386-4848
8 A.M. - 8 P.M., ET, Monday through Friday.

Accessing IARD

Access IARD directly at <https://crd.finra.org/iad> or through the newly designed FINRA Gateway at <https://gateway.finra.org> as shown below.

If accessing IARD through FINRA Gateway, select **Classic CRD** in the Quick Links section of your firm's dashboard and then navigate to the IARD Main tab.



Initiate a Form ADV-E filing

Initiating a Form ADV-E filing identifies the independent public accountant who, in compliance with rule 206(4)-2 under the Investment Advisers Act of 1940, has been engaged to examine client funds and securities in the custody of the investment adviser. An accountant cannot submit a Form ADV-E surprise exam report unless the adviser initiates a Form ADV-E.

From the IARD sitemap, select the Form ADV-E **New Filing** hyperlink.

The screenshot shows the IARD website's main navigation menu. The 'IARD Main' tab is selected. Below the menu, there are four columns: 'User Info', 'Forms', 'Organization', and 'Reports'. Under the 'Forms' column, the 'ADV-E' section is highlighted, and the 'New Filing' link is enclosed in a red box.

IARD Main	Forms	Organization	Reports
User Info	ADV	View Organization	Home
FAQ - IARD.COM	New/Draft Filing	Brochure Search	Request Report
FAQ - NASAA.ORG	Generate a Private Fund Identification Number	Identifying Information	View Report
FAQ - SEC.GOV	Historical Filing	Registration/Reporting Status	
Release Notes	ADV-W	Notice Filing Status	
IA Setting and Standard Fees	New Filing	Brochure Status	
Recommended Browsers	Pending Filing	Answers to Questions	
Send Comments	Historical Filing	Form of Organization	
	ADV-E	Business Information	
	New Filing	Regulatory Assets Under Management	
	Historical Filing	Client Transactions	
		Direct Owners / Executive Officers	

Form ADV-E Instructions

On the Form ADV-E Instructions page, links to the SEC and IARD Web sites display, directing users to general Form ADV-E filing instructions, reference information for Rule 206(4)-2, and guidance for public accountants.

The screenshot shows the 'Form ADV-E' page. On the left, there is a sidebar with 'Instructions' and 'Form ADV-E'. The main content area is titled 'FORM ADV-E' and contains the following text:

Certificate of Accounting of Client Securities and Funds in the Possession or Custody of an Investment Adviser Pursuant to Rule 206(4)-2 [17 CFR 275.206(4)-2]

OMB Number: 3235-0361

Estimated average burden hours per response0.05

Privacy Act Statement

The applicable Private Act system of records is SEC-2, and the routine uses of the records are set forth at 40 FR 39255 (Aug. 27, 1975) and 41 FR 5318 (Feb. 5, 1976).

SEC's Collection of Information

SEC's COLLECTION OF INFORMATION: An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid control number. Sections 203(c)(1) and 204 of the Investment Advisers Act of 1940 (Advisers Act) authorize the Commission to collect the information on this Form. See 15 U.S.C. §§ 80b-3(c)(1) and 80b-4. Filing of this Form is mandatory. The principal purpose of this collection of information is to make the examination certificates filed by an accountant pursuant to Rule 206(4)-2(a)(4)(i) under the Adviser Act (after that accountant has verified by actual examination the securities and funds of clients of which the investment adviser has custody) more accessible for inspection by the Commission staff and the public and is to facilitate verification of compliance with examination requirements. See 17 CFR § 275.206(4)-2(a). The Commission will maintain files of the information on Form ADV-E and will make the information publicly available. Any member of the public may direct to the Commission any comments concerning the accuracy of the burden estimate on page one of Form ADV-E, and any suggestions for reducing this burden. This collection of information has been reviewed by the Office of Management and Budget in accordance with the clearance requirements of 44 U.S.C. § 3507. The applicable Private Act system of records is SEC-2, and the routine uses of the records are set forth at 40 FR 39255 (Aug. 27, 1975) and 41 FR 5318 (Feb. 5, 1976).

At the bottom, there is a red box containing the following links:

- [Form ADV-E Instructions](#)
- [Form ADV General Instructions](#)
- [Rule 206\(4\)-2 Release](#)
- [Guidance For Accountants \(Release No. IA-2969\)](#)

Complete Form ADV-E

1. Select Form ADV-E from the navigation panel.

The screenshot shows the top portion of the Form ADV-E filing interface. On the left is a navigation panel with a blue header 'Form ADV-E' and two menu items: 'Instructions' and 'Form ADV-E', with the latter circled in red. The main content area has a grey header with 'Organization Name: INVESTMENT ADVISER FIRM' and 'Organization IARD#: 0000'. Below this is a white section titled 'Form ADV-E' containing introductory text about the form's purpose and a list of required fields. The first field, 'Calendar year the surprise examination is for:', has an empty text box next to it.

Form ADV-E

This Form must be completed by investment advisers that have custody of client funds or securities and that are subject to an annual surprise examination. This Form may *not* be used to amend any information included in an investment adviser's registration statement (e.g., business address). Once the investment adviser completes its portion of the form and it is sent to the independent public accountant conducting the surprise examination, the accountant will be able to complete this Form ADV-E filing by submitting the required certificate of accounting (surprise examination report). The Form ADV-E and the surprise examination report or statement filed by the accountant will be made public information and will be available to the public on www.adviserinfo.sec.gov.

* Calendar year the surprise examination is for:

1. Investment Adviser Act SEC File Number: 801-00000
2. State Identification Number (States the adviser is registered with):
CA, TX, WV

2. Enter the calendar year the surprise examination is for. *The system will allow multiple ADV-E filings to be initiated for a given year.*

This screenshot shows the main content area of the Form ADV-E filing interface. The title 'Form ADV-E' is centered at the top. Below it is the same introductory text as in the previous screenshot. The list of required fields now includes three more items. The first field, 'Calendar year the surprise examination is for:', now has the year '2011' entered into the text box, which is circled in red.

Form ADV-E

This Form must be completed by investment advisers that have custody of client funds or securities and that are subject to an annual surprise examination. This Form may *not* be used to amend any information included in an investment adviser's registration statement (e.g., business address). Once the investment adviser completes its portion of the form and it is sent to the independent public accountant conducting the surprise examination, the accountant will be able to complete this Form ADV-E filing by submitting the required certificate of accounting (surprise examination report). The Form ADV-E and the surprise examination report or statement filed by the accountant will be made public information and will be available to the public on www.adviserinfo.sec.gov.

* Calendar year the surprise examination is for:

1. Investment Adviser Act SEC File Number: 801-00000
2. State Identification Number (States the adviser is registered with):
CA, TX, WV
3. Full name of investment adviser (if individual, state last, first, middle name):
INVESTMENT ADVISER FIRM, LLC
4. Name under which business is conducted, if different from above:
INVESTMENT ADVISER FIRM
5. Address of principal place of business (number, street, city, state, zip code):

3. Enter the Accounting Firm Name, Accounting Firm Address, and the Accountant E-mail.

The accountant information entered on Form ADV-E should also be provided on Form ADV, Schedule D, Section 9.C

4. Click the **Submit to Accountant** button.

* Accounting Firm Name:	<input type="text" value="Sample Accounting Firm"/>
Accounting Firm Address:	
* Address Street 1:	<input type="text" value="123 Accounting Lane"/>
Address Street 2:	<input type="text"/>
* City:	<input type="text" value="Rockville"/>
State:	<input type="text" value="Maryland"/>
* Country:	<input type="text" value="UNITED STATES"/>
Zip Code:	<input type="text" value="20850"/>
Is this a Private Residence?	<input type="checkbox"/>
* Accountant Contact Email:	<input type="text" value="accountant@accountingfirm.com"/>
* Verify Accountant Contact Email:	<input type="text" value="accountant@accountingfirm.com"/>
<p>Clicking the Send to Accountant button will immediately send an email to your accountant.</p> <p><input type="button" value="Send to Accountant"/></p>	

By initiating an ADV-E filing, the accountant will receive an email requesting confirmation of the e-mail address. Once the e-mail address is confirmed, the accountant will receive a separate e-mail containing instructions for uploading the surprise examination report.

The accountant must file the required surprise examination report within 120 days of the surprise examination and, upon resignation or dismissal, will file a Form ADV-E that may be required to include a statement terminating the surprise examination agreement with the firm.

Investment Adviser firms will receive an e-mail notification when an accountant submits a surprise examination report. The e-mail notification will be sent to the confirmed e-mail address entered on Form ADV Item 1. J. (CCO Contact Person) or Item 1.K (Additional Regulatory Contact Person).

View ADV-E Filing History

From the IARD sitemap, select the Form ADV-E **Historical Filing** hyperlink.

The screenshot shows the IARD website interface. At the top, there is a navigation bar with links: CRD Main, IARD Main, Forms, Organization, E-Bill, and Reports. Below this is a sub-navigation bar with Site Map and User Info. The main content area is divided into four columns: IARD Main, Forms, Organization, and Reports. Under the 'Forms' column, there are sections for ADV, ADV-W, and ADV-E. The 'ADV-E' section has a 'New Filing' link and a 'Historical Filing' link, which is highlighted with a red box.

A list of historical Form ADV-E filings will display. Only ADV-E statuses of Completed and Terminated will display as a hyperlink.

Form ADV-E Filing History					
Records per Page: 25 Total Records: 5					
Accounting Firm Name	Accountant Email	Initiated Date	ADV-E Status	Filing Date	Date Examination Completed/Date of Termination
SAMPLE ACCOUNTING FIRM	ACCOUNTANT@EMAIL.COM	05/09/2011	INITIATED		
SAMPLE ACCOUNTING FIRM	ACCOUNTANT@EMAIL.COM	05/09/2011	CONFIRMED		
SAMPLE ACCOUNTING FIRM	ACCOUNTANT@EMAIL.COM	05/09/2011	TERMINATED	05/09/2011	05/09/2011
TEST ACCOUNTING FIRM	ACCOUNTANT@EMAIL.COM	04/29/2011	COMPLETED	04/29/2011	04/11/2011
TEST ACCOUNTING FIRM	ACCOUNTANT@EMAIL.COM	04/29/2011	COMPLETED	04/29/2011	04/11/2011
Records per Page: 25 Total Records: 5					

A status of **Initiated** will display when the investment adviser firm has sent a Form ADV-E through IARD to the accountant conducting the surprise examination.

A status of **Confirmed** will display when the accountant has received the confirmation notification and confirmed their email address following the instructions in the notification.

Click the **Completed** hyperlink to view details of the Surprise Examination Report, including a PDF version of the report the accountant uploaded on the Accountant Surprise Examination Filing Site.

Click the **Terminated** hyperlink to view details of the accountant's Form ADV-E statement of termination of the engagement with the firm the accountant uploaded on the Accountant Surprise Examination Filing Site.