IARD

Form ADV Part 3 (Form CRS)

About Form ADV Part 3

On June 5, 2019, the SEC adopted new rules and forms to require broker-dealers and investment advisers to provide a brief relationship summary, Form CRS, to retail investors. This guide is provided to firms registered with SEC as an Investment Adviser or Dual BD/IA to assist in the Form CRS upload process.

Dual BD/IA firms can login to either Web CRD or IARD to submit their relationship summary. Dual BD/IA firms with no retail on the IA side will stay in Web CRD to upload Form CRS, and Dual BD/IA firms with retail on both sides will be redirected to IARD to submit Form ADV Part 3. (If a Dual BD/IA firm believes they have been redirected incorrectly, please contact the Gateway Call Center at 301-869-6699 or WebCRD@finra.org.) Dual BD/IA firms will only upload one PDF file – either a four-page combined relationship summary, or two separate two-page summaries saved to a single file. Additional Form CRS requirements are available here.

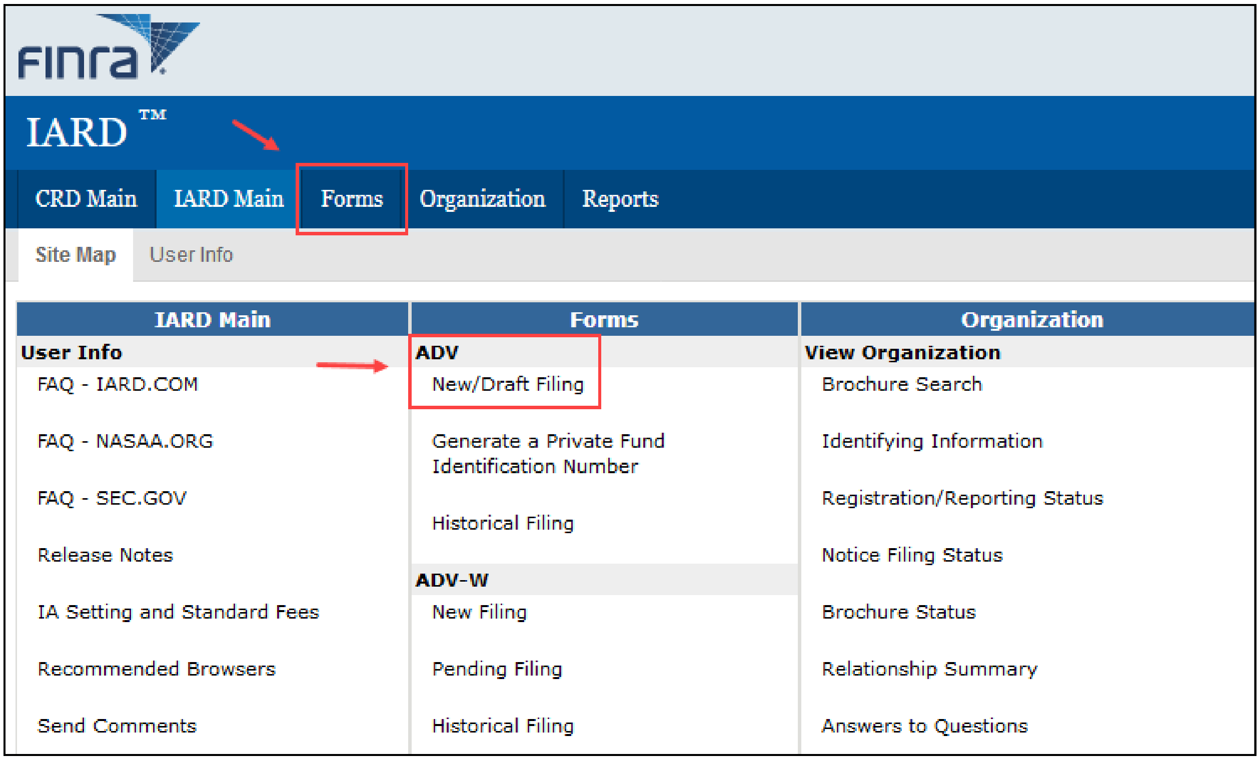
Contents:

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

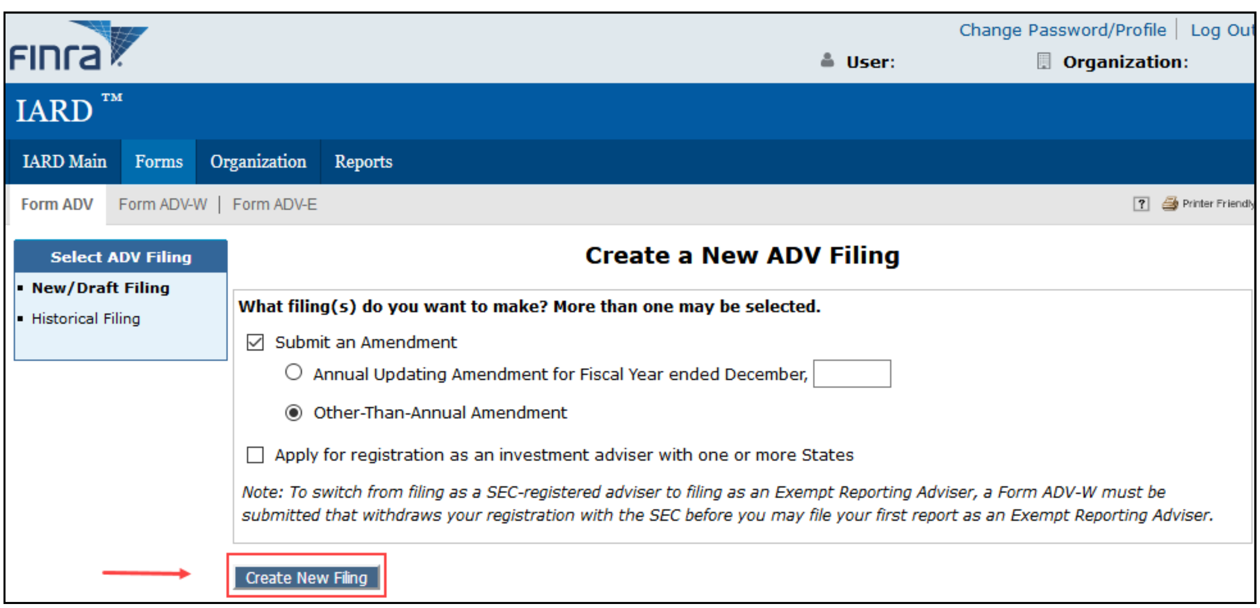
Access Form ADV

Login to IARD at https://crd.finra.org/iad or through Firm Gateway at https://firms.finra.org with your current user ID and password.

From the IARD site map, click the **New/Draft Filing** link in the Forms column or click the **Forms** tab at the top of the page.



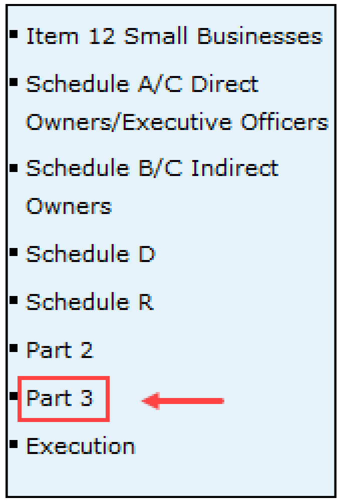
Select the appropriate Form ADV filing type (including sub-type, if applicable) and click the **Create New Filing** button at the bottom of the page.



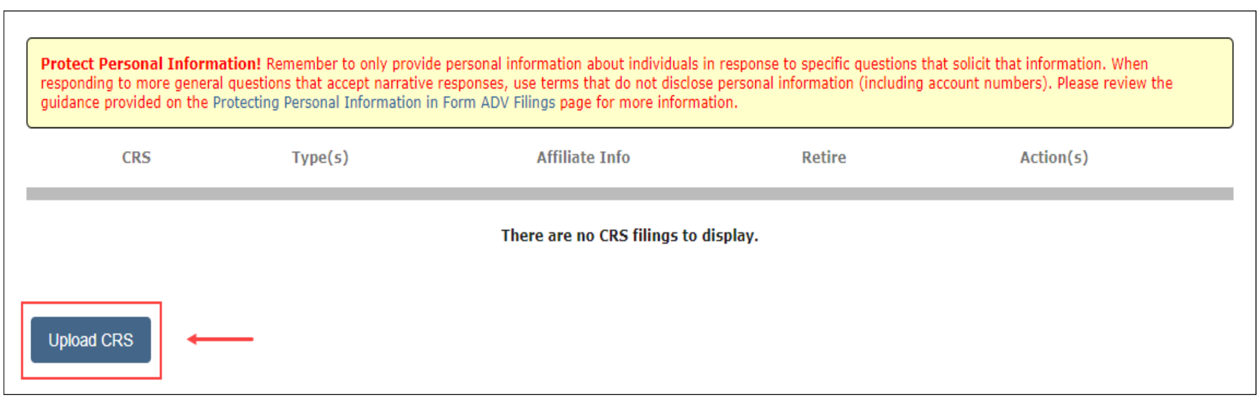
Part 3 Relationship Summary

Once the draft ADV filing has been opened, SEC-registered firms will have an additional **Part 3** link on the left navigation panel. Click the **Part 3** link to proceed.

Tip: Investment Advisers registered with a state or jurisdiction (and not SEC) do not have a Form CRS filing requirement and will not have a link for Part 3.



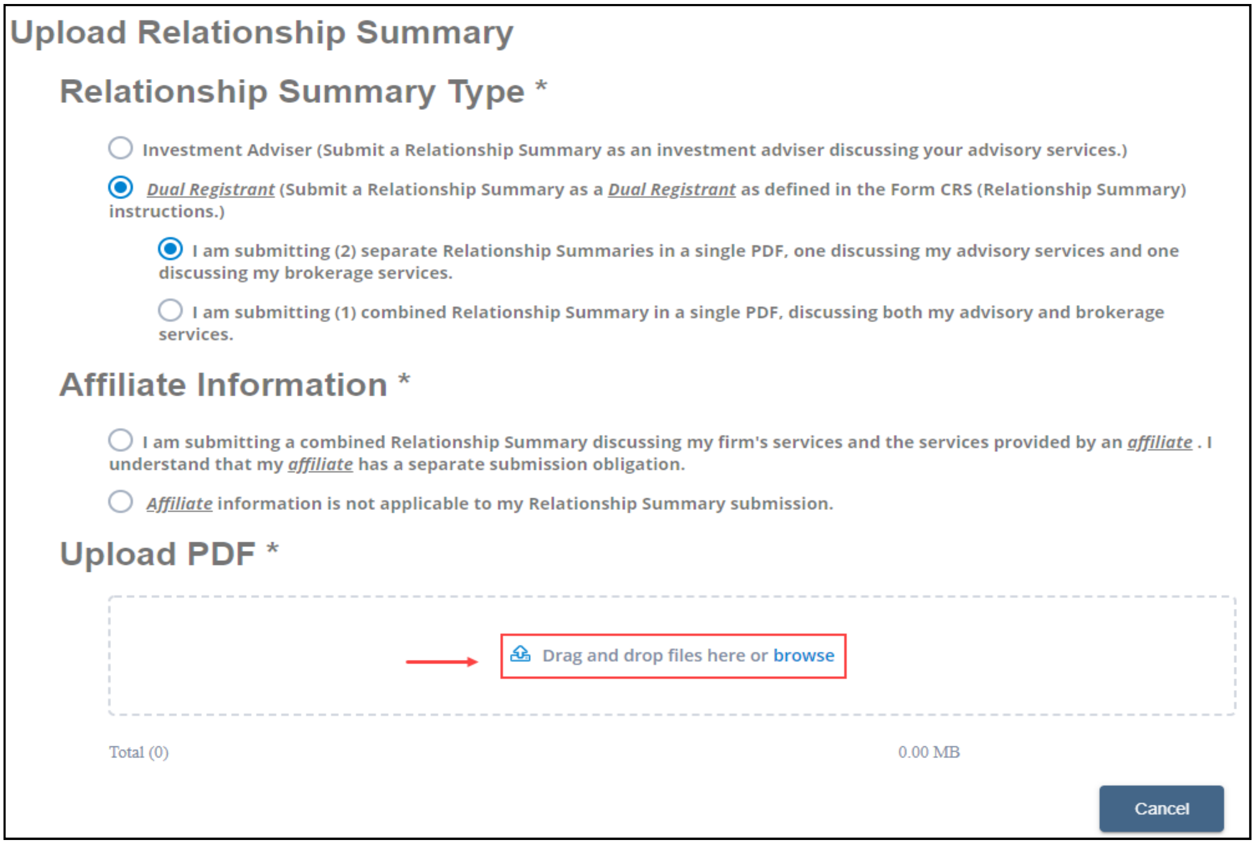
The following page will display the firm's IA and Dual BD/IA Form CRS upload history, if any. Click the **Upload CRS** button to begin the Form CRS upload process.

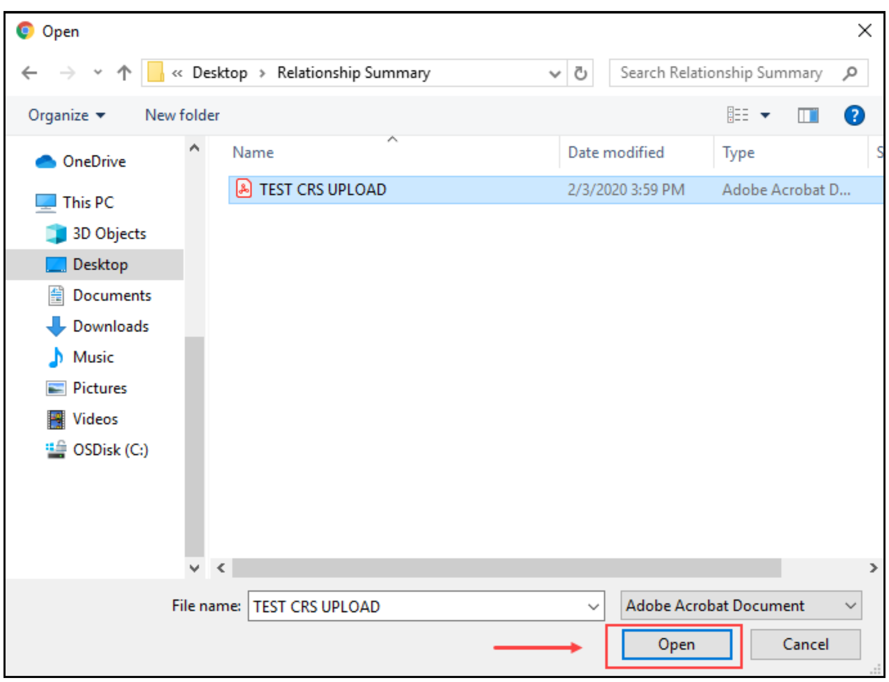


Reminder: Relationship summary uploads must meet the Form CRS requirements.

Part 3 Relationship Summary (Continued)

Complete the **Upload Relationship Summary** card. Fields marked with an asterisk (*) are required. Next, click Browse and select the appropriate file for upload (shown below). Users can also drag and drop the file into the **Upload PDF** box.





Part 3 Relationship Summary (Continued)

Successfully uploaded files will show a "Success" indicator along with the file size. Otherwise, applicable error messages will display if the file does not meet the following technical specifications:

- PDF format
- Text-searchable
- Contain at least 50 words

If the wrong file was uploaded, click the "X" icon to delete the file and browse for a new one. When ready, click the **Save** button to attach the file as part of the draft Form ADV filing.

Additional Tips:

Files that are locked or password protected will inhibit the system's ability to search for text. <u>All security on the PDF file must be removed</u> in order to upload the PDF file.

Additionally, files that are scanned to PDF format may not contain searchable text, as scanners generally capture an image of a document. To ensure that the file is text-searchable, the scanner must have the Optical Character Recognition (OCR) turned on.

If a user has PDF editing software (more than a simple PDF reader), existing PDF documents can be made text searchable by enabling OCR within the document. Here are the steps:

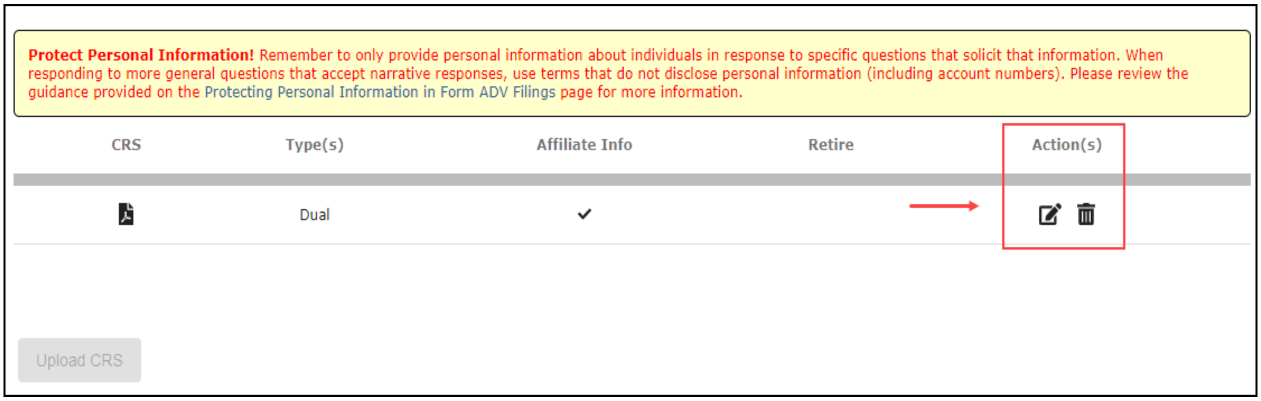
1. Open the PDF document.
2. Select "Tools" from the main menu.
3. In the Tools menu, click "Recognize Text" and "In This File".
4. In the Recognize Text window, click "OK"

The text recognition process will proceed. Please note that for a very long document, the process may take several minutes to complete. When all the pages are processed, search for a common word in the document to verify that the document now is text-searchable and then save it.

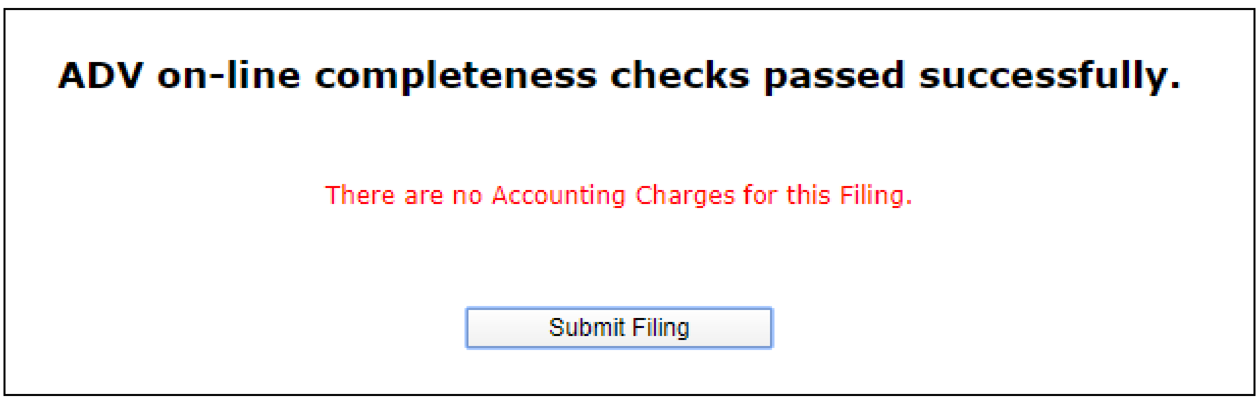
Part 3 Relationship Summary (Continued)

To Edit or Delete a Form CRS saved as part of a pending ADV filing, click the applicable icon in the **Action(s)** column.

Tip: Clicking the PDF icon in the **CRS** column will display a read-only version of the uploaded file.

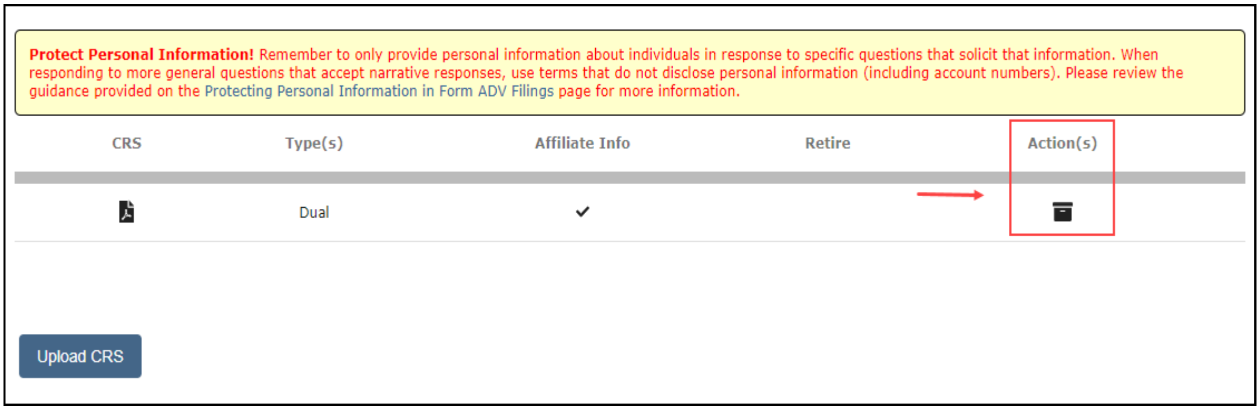


Form CRS uploads are submitted to IARD as part of the overall Form ADV submission process. Users must pass the **Completeness Check** and click **Submit Filing** in order for their uploaded Form CRS to be officially submitted.

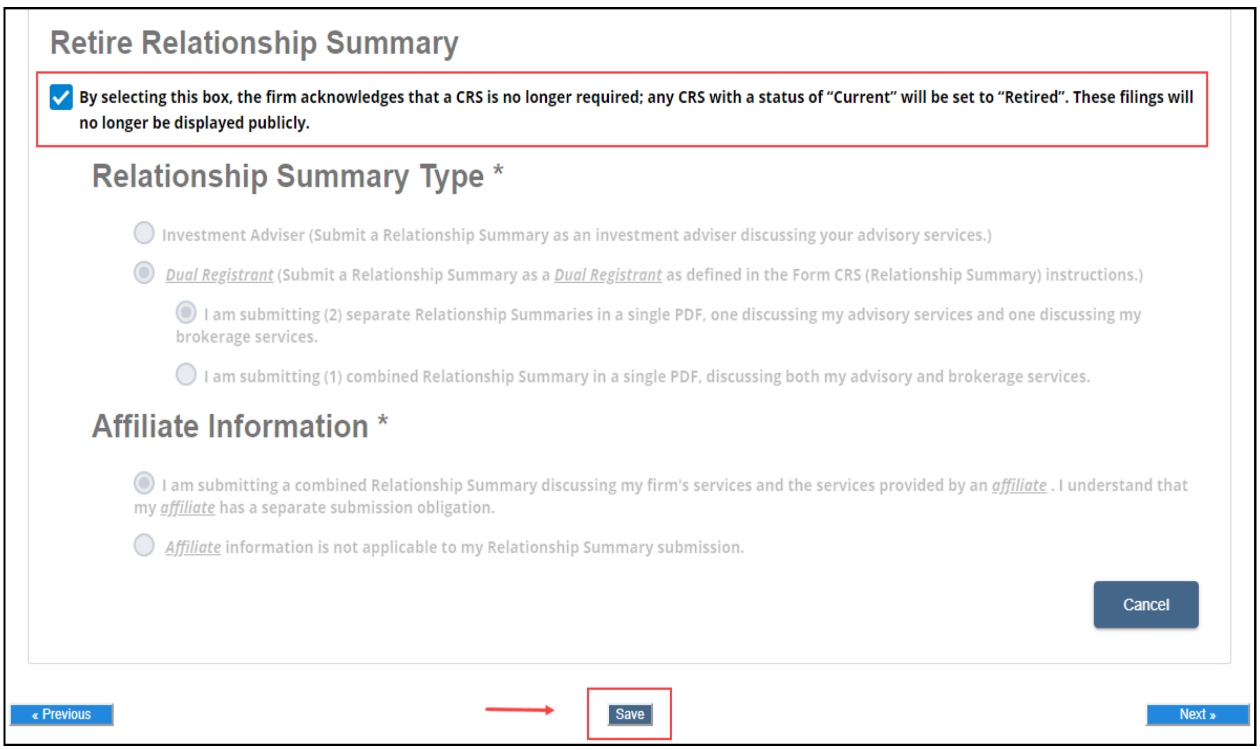


Retire a Relationship Summary

Firms that have successfully submitted Form CRS, but are no longer required to have a current Form CRS, can explicitly retire their current relationship summary via a Form ADV Amendment (using the same navigation steps on pages 2 and 3). When viewing the Form CRS history, select the “Retire” icon in the **Action(s)** column.

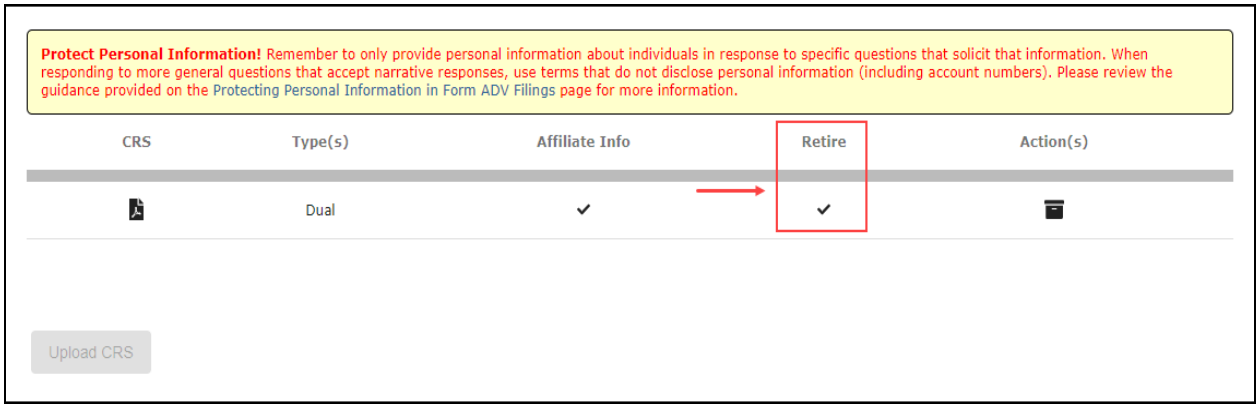


Click the acknowledgement checkbox and select the **Save** button.



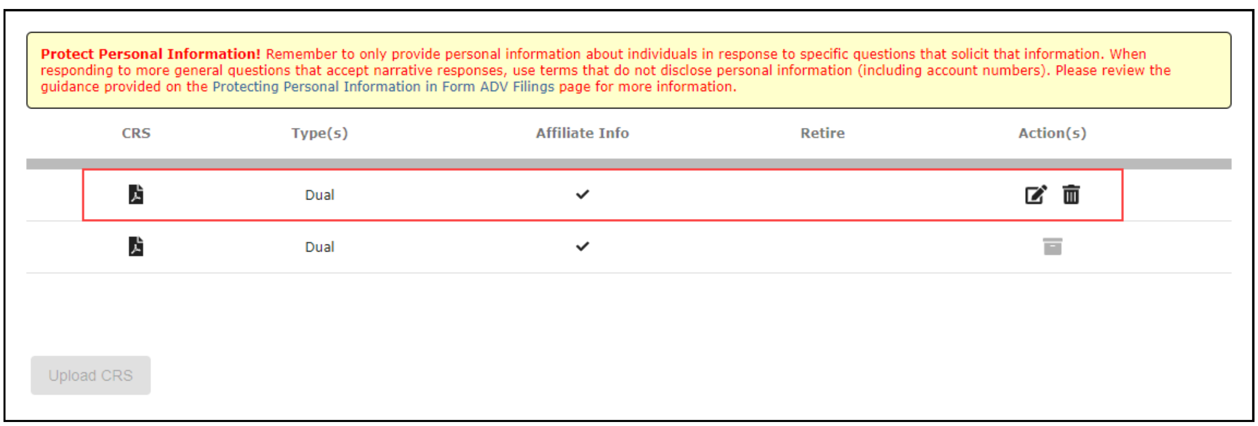
Retire a Relationship Summary (continued)

After saving, a checkmark will appear in the Retire column. The Form CRS will be officially retired after the pending Form ADV filing is successfully submitted.



Tip: If a current Form CRS needs to be replaced with a new one, uploading a new Form CRS will automatically retire the previously submitted Form CRS uploads. Firms are able to have only one current Form CRS at a time.

In the auto-retire scenario, an additional row will be added for the new current Form CRS and the previous Form CRS will be retired when the ADV filing is submitted. Please note that a retire checkbox will <u>not</u> appear in this specific scenario.



Relationship Summary History

To review the firm's Investment Adviser and Dual BD/IA Form CRS submission history, select **Relationship Summary** in the Organization column on IARD Main.

The firm's Form CRS history will display in descending chronological order, with the current relationship Summary listed first. Clicking each of the hyperlinked Filing IDs will display a read-only version of the uploaded file.