



PREPROPOSAL STATEMENT OF INQUIRY

CR-101 (June 2004)
(Implements RCW 34.05.310)
Do **NOT** use for expedited rule making

Agency: Department of Financial Institutions, Securities Division

Subject of possible rule making: The Securities Division is soliciting comments on the possible amendment of the investment adviser rules set forth in chapter 460-24A WAC.

Statutes authorizing the agency to adopt rules on this subject: RCW 21.20.005, 21.20.020, 21.20.030, 21.20.040, 21.20.050, 21.20.060, 21.20.070, 21.20.080, 21.20.090, 21.20.100, 21.20.330, 21.20.340, 21.20.450, 21.20.702

Reasons why rules on this subject may be needed and what they might accomplish: The Division is considering possible updates, amendments, and additions to chapter 460-24A WAC.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies: The federal Securities and Exchange Commission ("SEC") regulates investment advisers and requires registration of investment advisers that have \$30 million or more under management. An investment adviser with at least \$25 million but no more than \$30 million of assets under management may choose to register federally with the SEC or the state in which it maintains its principal office and place of business. The Division regulates investment advisers under the Securities Act of Washington, chapter 21.20 RCW, and requires registration of those that do business in our state with less than \$25 million under management or that have more than \$25 million, but less than \$30 million under management and choose to be registered at the state level as an alternative to federal registration.

Process for developing new rule (check all that apply):

- Negotiated rule making
- Pilot rule making
- Agency study

Other (describe) The Division is soliciting comments from interested persons and will adopt rules only after the consideration of public comments.

How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:

(List names, addresses, telephone, fax numbers, and e-mail of persons to contact; describe meetings, other exchanges of information, etc.)

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DATE
March 17, 2010

NAME (TYPE OR PRINT)
Scott Jarvis

SIGNATURE

TITLE
Director

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STATE OF WASHINGTON
FILED

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TIME: 1:26 PM

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