

# Index

## ACCOUNTANTS

Accounting Series Release No. 103, Investment Advisers Act Release No. 201, 1966 WL 84079 (May 26, 1966) (Accountant's Examination), **App. B2**  
Registration exclusions from definition of investment adviser, **1:18**

## ACCOUNTS AND ACCOUNTING

Custody or possession of clients assets, periodic account statements, **2:52**  
Registered representative opening account at other broker, **2:106**

## ACQUISITIONS

Generally, **2:198 to 2:201**  
Advisory entities, operation of, **2:200.50**  
Approval of advisory contracts, **2:199**  
Contracts and agreements, approval of advisory contracts, **2:199**  
Dual hatting arrangements, **2:201**  
Foreign persons, **3:44**  
Operation of advisory entities, **2:200.50**  
Performance presentations and advertising, **2:200**  
Successor advisers, **2:198 to 2:201**

## ACTUAL PERFORMANCE

Clover Capital no-action letter, **2:72, 2:74**

## ADVERTISING AND OTHER COMMUNICATIONS

Generally, **2:65 to 2:91**  
Acquisitions, performance presentations and advertising, **2:200**  
Actual performance, Clover Capital no-action letter, **2:72, 2:74**  
AIMR, **2:78, 2:81**  
"Catch all" provision of Rule 206(4)-1, **2:68.50**  
Charts, **2:68**  
"Chat rooms," **2:90**  
Clover Capital Management, Inc., 1986 WL 67379, Fed. Sec. L. Rep. 78,378 (Oct. 28, 1986) (Performance Advertising), **App. C6**  
Clover Capital no-action letter  
Generally, **2:71 to 2:82**  
Actual performance results, **2:74**  
AIMR no-action letter, net fee issues for composites, **2:81**  
Computational issues raised, **2:78 to 2:81**  
Custodian fees exception, ICI I no-action letter, **2:76**  
Enforcement actions, **2:82**

## ADVERTISING AND OTHER

### COMMUNICATIONS—Cont'd

Clover Capital no-action letter—Cont'd  
Fees. "net of fees" requirement, below in this group  
JPMIM no-action letter, "model" fees for separately managed accounts, **2:80**  
Model or actual performance, **2:72**  
Model performance results, **2:73**  
"Net of fees" requirement  
Generally, **2:75 to 2:82**  
AIMR no-action letter, net fee issues for composites, **2:81**  
Computational issues raised, **2:78 to 2:81**  
Custodian fees exception, ICI I no-action letter, **2:76**  
JPMIM no-action letter, "model" fees for separately managed accounts, **2:80**  
SIA no-action letter, interim relief, **2:79**  
Wealthy client exception, ICI II no-action letter, **2:77**  
SIA no-action letter, interim relief, **2:79**  
Wealthy client exception, ICI II no-action letter, **2:77**  
Computational issues raised, **2:78 to 2:81**  
Continuous firm, **2:88.67**  
Custodian fees exception, ICI I no-action letter, **2:76**  
E-mails and "chat rooms," **2:90**  
Enforcement actions, **2:82**  
Exceptions, **2:76, 2:77**  
Fees. Clover Capital no-action letter, above  
FINRA requirements, **2:88**  
Formulas, **2:68**  
GIPS standards, **2:84, 2:87**  
Graphs, charts, formulas, and other materials, **2:68**  
J.P. Morgan Investment Management, Inc.  
Clover Capital no-action letter, "model" fees for separately managed accounts, **2:80**  
Models  
Actual performance, comparison, **2:72**  
Fees, **2:80**  
Performance results, **2:73**  
"Net of fees" requirement. Clover Capital no-action letter, above  
New marketing rule  
Amendments to Form ADV, **2:88.70**  
Books and records rule, **2:88.69**  
Past recommendations, **2:67**

## ADVERTISING AND OTHER COMMUNICATIONS—Cont'd

Performance advertising  
 Acquisitions, **2:200**  
 Clover Capital Management, Inc., 1986 WL 67379, Fed. Sec. L. Rep. 78,378 (Oct. 28, 1986) (Performance Advertising), **App. C6**  
 Securities Industry Association, SEC No-Action Letter, 1989 WL 246550 (Nov. 27, 1989) (Performance Advertising), **App. C8**  
 Performance data, use of  
 Generally, **2:69 to 2:87**  
 Advertising and other communications (Rule 206(4)-1), **2:83.50**  
 Clover Capital no-action letter, above  
 Continuous firm, **2:88.67**  
 GIPS standards, **2:84, 2:87**  
 No-action letter. Clover Capital no-action letter, above  
 Predecessor, performance of, **2:85, 2:87**  
 Predecessor performance, **2:88.68**  
 Prior advisers, performance of, **2:85, 2:86**  
 Recordkeeping requirements for performance advertisements, **2:83**  
 SEC guidance on performance advertising deficiencies, **2:83.50**  
 Predecessor, performance of, **2:85**  
 Predecessor performance, **2:88.68**  
 Press, communications with, **2:91**  
 Prior advisers, **2:85, 2:86**  
 Proposals, requests for, **2:89**  
 Recordkeeping requirements for performance advertisements, **2:83**  
 Rule 206(4)-1 (17 CFR § 275.206(4)-1), **2:66 to 2:68.50**  
 Securities Industry Association, SEC No-Action Letter  
 Interim relief, **2:79**  
 Performance advertising, 1989 WL 246550 (Nov. 27, 1989), **App. C8**  
 Separately managed accounts, **2:80**  
 SIA, SEC No-Action Letter  
 Interim relief, **2:79**  
 Performance advertising, 1989 WL 246550 (Nov. 27, 1989), **App. C8**  
 Social media, **2:91.50**  
 Testimonials, Rule 206(4)-1, **2:66**  
 Wealthy client exception, ICI II no-action letter, **2:77**

## ADVISERS ACT

Investment Advisers Act (this index)

## ADVISERS WITHIN BANKS

Form PF, **4:8**

## ADVISORY CONTRACTS

Generally, **2:3 to 2:8**  
 Assignments, **2:7, 2:8**  
 Investment company advisory contracts, **2:6**  
 Investment guidelines, **2:5**  
 "Most favored nation" clauses and side letters, **2:5.50**  
 Required provisions, **2:3**  
 Suggested provisions, **2:4**

## AFFILIATED BROKER

Generally, **2:96**  
 Brokerage/soft dollar arrangements, **2:145**  
 ERISA, **2:100 to 2:102**  
 Trading process, **2:96, 2:100 to 2:102**

## AFFILIATED MUTUAL FUND

"Dual" fees, **2:25**  
 "Dual" fees, ERISA, **2:26**  
 Fees, **2:24 to 2:27**

## AGGREGATION

Brokerage orders for clients, **2:109 to 2:113**  
 SMC Capital, Inc., SEC No-Action Letter, 1995 WL 529274, Fed. Sec. L. Rep. 77,049 (Sept. 5, 1995) (Allocation and Aggregation Procedures), **App. C13**

## AIMR

Global Investment Performance Standards (GIPS) (this index)

## ALLOCATIONS

Aggregation of brokerage orders for clients, **2:110**  
 Asset allocation programs, **2:116**  
 Directed brokerage and similar transactions, **2:111**  
 "Mini-accounts" asset allocation programs, **2:116**  
 Securities and advisory recommendations among clients, **2:109 to 2:113**  
 "Side-by-side" trading, **2:110.50**  
 SMC Capital, Inc., SEC No-Action Letter, 1995 WL 529274, Fed. Sec. L. Rep. 77,049 (Sept. 5, 1995) (Allocation and Aggregation Procedures), **App. C13**

## ANNUAL DELIVERY

Disclosure to clients, "brochure" rule, **2:43**

## ANNUAL UPDATING AMENDMENT

Registration, **1:63**

## ANTIFRAUD PROVISIONS

Generally, **2:29 to 2:32**  
 Rule 206(4)-8 (adviser to pooled investment vehicle), **2:31**  
 Section 206, general, **2:30**  
 Section 207, filings, **2:32**

**ANTI-SPINNING**

FINRA (this index)

**ANTI-TAKEOVER LAWS**

State investment limitations, **3:50**

**ANTITRUST LAWS**

Federal investment limitations, **3:43**

**APPLICANT**

Definition, **1:56**

**ARLEEN W. HUGHES**

Exchange Act Release No. 4048, 27 SEC 629, 1948 WL 29537 (Feb. 18, 1948) (Fiduciary Duty), **App B6, App. B6**

**ASSET ALLOCATION**

Registration, Section 202(a)(11), definition of investment advisor, **1:8**

**Wrap Fee Programs** (this index)

**ASSETS UNDER MANAGEMENT**

Performance fees based on, **2:12**

Registration, “assets under management” test, **1:39**

**ASSIGNMENT**

Advisory contract, **2:7, 2:8**

**ASSOCIATION FOR INVESTMENT MANAGEMENT AND RESEARCH**

Advertising and other communications, **2:78, 2:81**

Clover Capital no-action letter, net fee issues for composites, **2:81**

**Global Investment Performance Standards (GIPS)** (this index)

**ATTORNEYS**

Registration exclusions from definition of investment adviser, **1:18**

Status as investment advisers, **2:18**

**AUCTION BIDS**

Treasury Department regulations, **3:35**

**BANKS AND BANK HOLDING COMPANIES**

Care, standard of, **2:165**

“Dual” fees, **2:27**

Federal investment limitations, **3:40**

Form PF, advisers within banks, **4:8**

Registration exclusions, **1:16, 1:17**

**BENEFICIAL OWNERS**

Definition of “beneficial ownership,” **3:53**

First beneficial ownership test, Section 16, **3:31**

Five-percent beneficial owners, Section 13(d), **3:2**

Groups, **3:4**

Reports and reporting, **3:2 to 3:5, 3:27 to 3:33**

**BENEFICIAL OWNERS—Cont’d**

Second beneficial ownership test, Section 16, **3:32**

Section 16, directors, officers, and greater than ten-percent beneficial owners, **3:27 to 3:33**

**“BEST EXECUTION”**

Brokerage/soft dollar arrangements, **2:136**

**BIDS AND BIDDING**

Auction bids, Treasury Department regulations, **3:35**

**“BIG BOY” LETTERS**

Form of, **App. F8**

Insider trading, **2:175**

**BONA FIDE PUBLISHERS**

Registration exclusions from definition of investment adviser, **1:24**

SEC v. Lowe, **1:24**

**BONDING**

Generally, **2:196**

ERISA requirements, **2:197**

Other insurance coverage, **2:197.50**

**BROADCAST LICENSEES**

Federal investment limitations, **3:42**

**BROCHURE RULE AND SUPPLEMENTS**

Disclosure (this index)

**BROKERAGE AND RESEARCH SERVICES**

Definition, **2:130**

**BROKERAGE/SOFT DOLLAR ARRANGEMENTS**

Generally, **2:129 to 2:145.50**

Affiliated broker, **2:145**

“Best execution” obligation, **2:136**

Brokerage and research services, **2:130**

Correction of error, **2:142**

Definition of brokerage and research services, **2:130**

Directed brokerage arrangements, **2:137 to 2:139**

Disclosure obligations, **2:133 to 2:135**

ERISA, **2:138**

Error correction, using soft dollars for, **2:142**

Execution through affiliated broker, **2:145**

Expenses, **2:139**

Form ADV

Item 12A of Part 2, **2:134**

Item 14 of Part 2A, **2:135**

Fund expenses, **2:139**

Item 12A of Part 2 of Form ADV, **2:134**

Item 14 of Part 2A of Form ADV, **2:135**

Markets in Financial Instruments Directive II (MiFID II), **2:145.50**

“Mixed use” products and services, **2:131**

**BROKERAGE/SOFT DOLLAR ARRANGEMENTS—Cont'd**

“Paying up” for research, generally, **2:129 to 2:144**  
 Payment of fund expenses, **2:139**  
 Principal trades/commodity futures, **2:141**  
 Reports and reporting, **2:143**  
 Safe harbor, generally, **2:129 to 2:144**  
 SEC staff inspection report on soft dollar practices, **2:143**  
 Section 28(e) safe harbor for “paying up” for research, generally, **2:129 to 2:144**  
 Syndicate soft dollars, **2:140**  
 Third-party research, **2:132**

**BROKER-DEALERS**

Allocation of securities and advisory recommendations among clients and aggregation of orders, **2:113**  
 ERISA Prohibited Transaction Class Exemption 86-128 (November 5, 1986) (Use of Affiliated Broker-Dealers), **App. A6**  
 Large trader reporting requirements, broker-dealers’ obligations, **3:26**  
 New issue instructions, **2:121 to 2:128**  
 Registration, **1:19 to 1:23.50, 1:43**

**BROKERS**

Trading process, use of affiliated broker, **2:96, 2:100 to 2:102**

**BULLETIN BOARDS**

Registration, Section 202(a)(11) definition of investment adviser, **1:14.50**

**BULLETINS, DOL**

ERISA Technical Bulletin 86-1 (May 22, 1986) (DOL Soft Dollar Statement), **App. C10**  
 Proxy voting and economically targeted investments, Interpretive Bulletins 08-2 and 2015-01, **2:152, App. C12**

**BUNDLED “WRAP FEE PROGRAMS”**

**Wrap Fee Programs** (this index)

**BUSINESS CONTINUITY PLANNING**

Generally, **2:176**

**BUSINESS DEVELOPMENT COMPANY**

Performance fees, **2:14**

**CALCULATING BENEFICIAL OWNERSHIP**

Reports and reporting, **3:3**

**CARE, STANDARD OF**

Generally, **2:160 to 2:166**  
 Advisers Act, **2:16, 2:160**  
 Anti-money laundering, requirements, **2:162.50**  
 Banking law, **2:165**  
 Correcting trading errors, **2:161**  
 Derivatives, **2:164**

**CARE, STANDARD OF—Cont'd**

ERISA, “prudent man” rule, **2:163, 2:164**  
 Errors, correcting, **2:161**  
 Hedge clauses, **2:160**  
 “Know your customer” obligations, **2:162**  
 Anti-money laundering, requirements, **2:162.50**  
 Limitations on liability, **2:160**  
 “Prudent man” rule, **2:163, 2:164**  
 “Socially desirable” investments, **2:163**  
 State law, **2:166**  
 Suitability obligations, **2:162**

**CASINO LICENSEES**

State investment limitations, **3:49**

**“CAUSE” INSPECTIONS**

Generally, **2:211**

**CERTIFICATION**

FINRA “new issues” necessary certifications, **2:127**  
 IPO certification, **App. B8-1**

**CFTC**

Registered commodity trading advisers, registration status, **1:34**

**CHARITABLE ORGANIZATIONS, OFFICIALS, AND CHURCH PLANS**

Registration exemption, **1:33**

**CHARTS**

Advertising and other communications, **2:68**

**CHAT ROOMS**

Advertising and other communications, **2:90**

**CLASS ACTIONS**

Fiduciary duty, filing class action settlement claims, **2:35**  
 International, **2:35.50**  
 Proxy voting, filing class action settlement claims, **2:159**

**CLIENTS**

Foreign private advisers, counting, **1:32**

**CLOVER CAPITAL MANAGEMENT, INC.**

Generally, **2:71 to 2:82**  
 1986 WL 67379, Fed. Sec. L. Rep. 78,378 (Oct. 28, 1986) (Performance Advertising), **App. C6**

**CLOVER CAPITAL NO-ACTION LETTER**

**Advertising and Other Communications** (this index)

**CODE OF ETHICS**

Generally, **2:61**

**COMMODITY POOL OPERATORS**  
Form PF, **4:7**

**COMMODITY TRADING ADVISORS**  
Generally, **1:44 to 1:54**  
**Definitions** (this index)  
Exceptions, exemptions and exclusions  
Generally, **1:34, 1:50 to 1:53**  
Commodity pool operators, exclusions from  
definition, **1:49**  
Definitions, exclusions, **1:46 to 1:49**  
Foreign funds, advice to, **1:54**  
Insurance companies, exclusions from definition,  
**1:48**  
Pool operators, **1:49**  
Private commodity trading advisors, exemptions,  
**1:51**  
Registered investment advisors, exemptions, **1:52**  
Registration, generally, **1:44 to 1:54**

**COMMON CARRIERS**  
Federal investment limitations, **3:46**

**COMMONLY CONTROLLED MULTIPLE  
ADVISORY ENTITIES**  
Form PF, **4:9**

**COMMUNICATIONS**  
**Advertising and Other Communications** (this  
index)

**COMPANY ACT**  
**Investment Company Act** (this index)

**COMPENSATION**  
Recouping, “penalty bid”/“flipping” provisions  
of FINRA Rule 5131, **2:128.53**  
Registration, **1:4, 1:21**

**COMSAT**  
Federal investment limitations, **3:47**

**CONFIDENTIAL INFORMATION**  
Disclosure, **2:30**  
Form PF, **4:16**

**CONFIDENTIAL TREATMENT**  
Section 13(f), institutional investment managers,  
**3:17**  
Section 13(f), monthly short sale reports, **3:17.60**  
Section 13(f), “Say-on-Pay” votes, **3:17.50**

**CONFIRMATIONS**  
“Mini-accounts,” **2:119**

**CONFLICT OF INTEREST**  
SEC requirements, proxy voting, **2:149**

**CONTINGENT FEES**  
Generally, **2:10**

**CONTINGENT FEES—Cont’d**  
Investment Advisers Act, Release No. 721, 20  
SEC Docket 89, 1980 WL 26926 (May 16,  
1980), **App. B4**

**CONTINUITY OF BUSINESS**  
Business continuity planning, **2:176**

**CONTRACTS AND AGREEMENTS**  
Acquisitions, **2:199**  
Advisory contract, **2:3 to 2:8**  
Solicitors, **2:187**

**“CONTROL PERSONS”**  
Section 13(g), “control persons” of qualified  
institutional investors, **3:10**

**CREDITORS’ COMMITTEES**  
Insider trading, **2:172, 2:173**

**CRIMINAL PENALTIES**  
Advisers Act, **2:206**

**CROSS TRANSACTIONS AND CROSS  
TRADING**  
Generally, **2:94, 2:95**  
Agency cross trading, **2:95**  
Agency cross transactions, **2:94, 2:95**  
ERISA, **2:100 to 2:102**  
Rule 206(3)-2 (17 CFR § 275.206(3)-2), **2:94**

**CRYPTOCURRENCIES**  
Registration, **1:14**

**CUSTODIAN FEES EXCEPTION**  
Advertisements, Clover Capital no-action letter,  
**2:76**

**CUSTODY OR POSSESSION OF CLIENTS  
ASSETS**  
Generally, **2:49, 2:50**  
Adviser and/or related person, **2:53**  
Compliance policies and procedures for custody,  
**2:54**  
Definitions, **2:50**  
Periodic account statements, **2:52**  
Purposes of Rule 206(4)-2 (the Custody Rule),  
**2:49**  
Qualified custodian requirements, **2:51**  
Related person and/or adviser, **2:53**  
Rule 206(4)-2 (the Custody Rule), generally, **2:49**

**CYBERSECURITY**  
Data protection, **2:178.50**  
Office of Compliance Inspections and Examinations  
(OCIE), initiative, **App. C14**

**DATA PROTECTION**  
Cybersecurity, **2:178.50**  
Other regulators, **2:178**  
Red Flag Rules, **2:177.50**

**DATA PROTECTION—Cont'd**

Regulation S-ID, **2:177.50**  
 Regulation S-P, **2:177**

**DAY TRADING**

Internet website, registration, **1:14.60**

**DEFICIENCY LETTERS**

Sample, **App. F5**

**DEFINITIONS**

Applicant, **1:56**  
 Beneficial ownership, **3:53**  
 Brokerage and research services, **2:130**  
 Commodity trading advisors  
   Generally, **1:45**  
   Exclusions from adviser definition, **1:46**  
 Custody of client assets, **2:50**  
 ERISA fiduciary, **2:33.52**  
 Family office, definition, **1:26**  
 Institutional investment managers, Section 13(f),  
   **3:14**  
 Investment counsel, **2:167**  
 Ordinary course of business, Section 13(g), **3:8**  
 Passive investors, Section 13(g), **3:11**  
 Qualified institutional investors, Section 13(g),  
   **3:7**  
 Security, **1:7**  
 Venture capital fund adviser, definition, **1:35**

**DELIVERY**

Disclosure to clients, **2:40 to 2:44**

**DEPARTMENT OF LABOR (DOL)**

ERISA  
   Compensation disclosures, DOL Reg  
     § 2550.408b-2, **2:27.50**  
   Proxy voting and economically targeted investments, Interpretive Bulletins 08-2 and  
     2015-01, **App. C12**  
   Technical Bulletin 86-1 (May 22, 1986) (DOL  
     Soft Dollar Statement), **App. C10**  
 Inspections, **2:215**  
 Latest Trends and Developments (this index)  
 Pension and Welfare Benefit Administration  
   (PWBA), (March 21, 1996), **App. C17**  
 Proxy voting, DOL Regulation 404a-1, **2:158.10**  
 Proxy voting and economically targeted investments, Interpretive Bulletins 08-2 and 2015-01, **App. C12**

**DERIVATIVES**

Care, standard of, **2:164**

**DESTRUCTION PROGRAMS**

Records and recording, **2:63.50**

**DIRECTED BROKERAGE ARRANGEMENTS**

Brokerage/soft dollar arrangements, **2:137 to 2:139**

**DIRECTORS**

Section 16, directors, officers, and greater than  
 ten-percent beneficial owners, **3:27 to 3:33**

**DISCIPLINARY INFORMATION**

Access to, **2:207**

**DISCLOSURE**

Annual delivery, **2:43**  
 Annual privacy notice, **2:46.50**  
 Brochure rule  
   Generally, **2:36 to 2:44**  
   Annual delivery, **2:43**  
   Delivery requirements, **2:40 to 2:44**  
   Form of brochure, **2:37 to 2:39**  
   Initial delivery, **2:41**  
   Initial delivery of supplement, **2:42**  
   Ongoing delivery, **2:44**  
   Rule 204-3 (17 CFR § 275.204-3), generally,  
     **2:36 to 2:44**  
   Wrap fee programs, **2:39**  
 Brochure supplements  
   Generally, **2:36**  
   Delivery requirements, **2:40, 2:42, 2:44**  
   Form ADV, below  
   Questionnaire, **App. E6**  
 Brokerage/soft dollar arrangements, **2:133 to 2:135**  
 Clients, disclosure to, generally, **2:36 to 2:48**  
 Delivery, **2:40 to 2:44**  
 Electronic delivery of information, **2:48**  
 Form ADV  
   Generally, **1:76**  
   Brochure supplements  
     Generally, **3:26**  
     Delivery requirements, **2:40, 2:42, 2:44**  
     Part 2A, **2:118**  
 Form of brochure, **2:37 to 2:39**  
 Initial delivery, **2:41**  
 Initial delivery of brochure supplement, **2:42**  
 "Mini-accounts," **2:118**  
 Monitoring service providers, **2:46.80**  
 Notice, **2:46, 2:47**  
 Ongoing delivery, **2:44**  
 Privacy notices, **2:46**  
   Annual privacy notice, **2:46.50**  
   Monitoring service providers, **2:46.80**  
   Security incident notification, **2:46.70**  
   Written incident response plan, **2:46.60**  
 Registration, Form ADV, schedules and  
 disclosure reporting pages, **1:73**  
 Regulation S-AM, **2:47**  
 Regulation S-P privacy notices, **2:46**  
   Annual privacy notice, **2:46.50**  
   Monitoring service providers, **2:46.80**  
   Security incident notification, **2:46.70**

**DISCLOSURE—Cont'd**

Regulation S-P privacy notices, **2:46**—Cont'd  
Written incident response plan, **2:46.60**  
Requirements, **1:76**  
Rule 204-3. "Brochure" rule, above  
Security incident notification, **2:46.70**  
Solicitors, **2:188**  
Wrap fee programs, **2:39, 2:118**  
Written incident response plan, **2:46.60**

**DOCKET**

Exchange Act Release No. 23170, 35 SEC  
Docket 703, 1986 WL 630442 (Apr. 23,  
1986), 51 FR 16,004 (SEC Soft Dollar  
Guidance), **App. B7**  
Investment Company Act, Release No. 721, 20  
SEC Docket 89, 1980 WL 26926 (May 16,  
1980) (Contingent Fees), **App. B4**  
Investment Company Act, Release No. 1092, 39  
SEC Docket 494, 1987 WL 112702 (Oct. 8,  
1987), **App. B5**

**DODD-FRANK ACT**

**Form PF** (this index)

**"DUAL" FEES**

Generally, **2:25 to 2:27**

**DUAL HATTING**

Acquisitions, **2:201**

**ECONOMICALLY TARGETED INVESTMENTS**

Interpretive Bulletins 08-2 and 2015-01, ERISA  
Proxy Voting and Economically Targeted  
Investments, **2:152, App. C12**

**EDUCATIONAL MATERIALS**

Pension plans, Section 202(a)(11) definition of  
investment adviser, **1:12**

**ELECTRONIC DELIVERY**

Disclosure to clients, **2:48**

**E-MAILS**

Advertising and other communications, **2:90**

**EMPLOYMENT**

Outside employment, Rule 3270 of FINRA  
Rules, **2:108**

**ENFORCEMENT ACTIONS**

Advertising and other communications, **2:82**

**ENGAGED "IN THE BUSINESS"**

Registration, Section 202(a)(11) definition of  
investment adviser, **1:5**

**ENGINEERS**

Registration exclusions from definition of invest-  
ment adviser, **1:18**

**ENTERTAINMENT**

Generally, **2:179**  
FINRA requirements, **2:180**  
Form LM-10, payments to labor organizations,  
union officials and related trusts, **2:181**  
Payments to labor organizations, union officials  
and related trusts (Form LM-10), **2:181**

**ENVIRONMENTAL, SOCIAL, AND GOVERNANCE**

**ESG** (this index)

**EQUITY**

Registration, Section 202(a)(11) definition of  
investment adviser, **1:11**

**ERISA**

Bonding, **2:197**  
Brokerage/soft dollar arrangements, **2:138**  
Care, standard of, **2:163, 2:164**  
**Department of Labor (DOL)** (this index)  
"Dual" fees, **2:26**  
**Exceptions, Exemptions and Exclusions** (this  
index)  
**Fees** (this index)  
Fiduciaries, **2:33.51 to 2:33.53**  
"Investment manager," status as, **2:218**  
Limitations and restrictions, ERISA-eligible  
investments, **3:54**  
Pension accounts, proxy voting, **2:152 to 2:154**  
Performance fees, generally, **2:20**  
Proxy voting, **2:152 to 2:154, App. C12**  
"Prudent man" rule, **2:163, 2:164**  
"Qualified professional asset manager," status as,  
**2:219**  
Technical Bulletin 86-1 (May 22, 1986) (DOL  
soft dollar statement), **App. C10**  
Trading process, **2:100 to 2:102**  
Use of affiliated broker-dealers, Prohibited trans-  
action class exemption 86-128 (Nov. 5,  
1986), **App A6**  
Use of affiliated mutual funds, Prohibited trans-  
action class exemption 77-4 (Mar. 31, 1977),  
**App A5**

**ERRORS/ERROR CORRECTION**

Brokerage/soft dollar arrangements, **2:142**  
Care, standard of, correcting trading errors, **2:161**  
Correction, Error Correction by Investment  
Advisers: Industry and Regulatory Guid-  
ance, **App. B10**  
Soft dollars, using to correct errors, **2:142**

**ESG**

Challenges and ambiguities, **2:158.40**  
"Greenwashing," **2:158.30**  
Impact on investment managers, **2:158.20**  
Increasing regulatory scrutiny, **2:158.50**

**ESOPs**Proxy voting, **2:153****EXAMINATIONS**Accounting Series Release No. 103, Investment Advisers Act Release No. 201, 1966 WL 84079 (May 26, 1966) (Accountant's Examination), **App. B2****Inspections** (this index)Investment adviser examination, **App. F9**SEC, **2:208 to 2:214****EXCEPTIONS, EXEMPTIONS AND EXCLUSIONS****Commodity Trading Advisors** (this index)

ERISA

Prohibited Transaction Class Exemption 77-4 (March 31, 1977) (Use of Affiliated Mutual Funds), **App. A5**Prohibited Transaction Class Exemption 86-128 (November 5, 1986) (Use of Affiliated Broker-Dealers), **App. A6**FINRA "new issues" restrictions, **2:128****Performance Fees** (this index)**Registration** (this index)Trading process, exemption for impersonal services, Rule 206(3)-1 (17 CFR § 275.206(3)-1), **2:99****EXCHANGE ACT****Securities Exchange Act** (this index)**EXCLUSIONS****Exceptions, Exemptions and Exclusions** (this index)**EXECUTING BROKER-DEALER OBLIGATIONS**Registered representatives, advisory activities of, **2:105****EXECUTION**Brokerage/soft dollar arrangements, **2:145****EXEMPTIONS****Exceptions, Exemptions and Exclusions** (this index)**EXPENSES**Brokerage/soft dollar arrangements, payment of fund expenses, **2:139****FAIR CREDIT REPORTING ACT**Regulation S-AM, **2:47****FAMILY OFFICE**Definition, **1:26**Registration, **1:26****FEDERAL INVESTMENT LIMITATIONS****Limitations and Restrictions** (this index)**FEE BASED BROKERAGE ACCOUNTS**Generally, **1:21****FEES**Generally, **2:9 to 2:28****Advertising and Other Communications** (this index)Affiliated mutual fund, use of, **2:24 to 2:27**Bank regulatory requirements, "dual" fees, **2:27**"Dual" fees, **2:25 to 2:27**

ERISA

Compensation disclosures, DOL Reg § 2550.408b-2, **2:27.50**Requirements, "dual" fees, **2:26**Form PF, **4:15**Investment Company Act, Release No. 721, 20 SEC Docket 89, 1980 WL 26926 (May 16, 1980) (Contingent Fees), **App. B4**Investment Company Act, Release No. 7113 and Release No. 315, 1972 WL 121274 (April 6, 1972) (Fulcrum Fees), **App. B3**Investment company advisory fees, Section 36(b), **2:23**Mutual fund, **2:24 to 2:27****Performance Fees** (this index)Prepaid advisory fees, **2:22**Private funds, **2:18**Section 36(b), investment company advisory fees, **2:23**Solicitors, non-cash referral fees, **2:189**Wrap fees, **2:28****FIDUCIARIES OR REPRESENTATIVES**Generally, **2:33**Class action settlement claims, filing, **2:35**ERISA, **2:33.51 to 2:33.53**Form CRS, **2:33.30**In re Arleen W. Hughes, Exchange Act Release No. 4048, 27 SEC 629, 1948 WL 29537 (Feb. 18, 1948) (Fiduciary Duty), **App. B6**International class actions, **2:35.50**Litigation, **2:34**Proxy voting, **2:147****Registered Representatives** (this index)Regulation Best Interest, **2:33.10, 2:33.20**SEC v. Capital Gains Research Bureau, 375 U.S. 18 (1963) (Fiduciary Duty of Adviser), **App. F1**"Solely incidental" interpretation, **2:33.50**Standards of conduct interpretation, **2:33.40****FINANCIAL ADVICE**Registration, Section 202(a)(11) definition of investment adviser, **1:10****FINANCIAL INSTRUMENTS DIRECTIVE**No-action letters, **2:145.50**

**FINANCIAL PLANNING**

Fee-based brokerage accounts, **1:21**  
Registration, Section 202(a)(11) definition of investment adviser, **1:9**  
Release 1092, **App B5**

**FINANCIAL REFORM LEGISLATION**

Latest trends and developments, **4:1, 4:2, 4:6**

**FINANCIAL STABILITY OVERSIGHT COUNCIL**

Form PF, **Reports and Reporting** (this index)

**FINRA**

Advertising and other communications, **2:88**  
Anti-spinning restrictions  
    Generally, **2:128.50 to 2:128.53**  
    “Penalty bid”/“flipping,” **2:128.53**  
    Quid pro quo allocations, prohibitions, **2:128.51**  
    Rule 5131, **2:128.50 to 2:128.53**  
    Spinning, prohibitions, **2:128.52**  
Entertainment, **2:180**  
Exemptions, new issues, **2:128**  
Forwarding proxy materials, **2:156**  
Gifts and entertainment, Rule 3220, **2:180**  
“New issues” restrictions  
    Generally, **2:123 to 2:125**  
    Anti-spinning restrictions, above  
    Exemptions, **2:128**  
    Necessary certifications, **2:127**  
    New issues, **2:124**  
    Persons, **2:125**  
    Restricted persons, **2:125**  
    Rule 5130, **2:126, 2:126.50**  
Outside employment, Rule 3270, **2:108**  
“Penalty bid”/“flipping,” anti-spinning restrictions, **2:128.53**  
Performance fees, **2:21**  
Private securities transactions, Rule 3280, **2:107**  
Proxy voting, **2:155 to 2:157**  
Quid pro quo allocations, anti-spinning restrictions, **2:128.51**  
Rules  
    Anti-spinning restrictions, Rule 5131, **2:128.50 to 2:128.53**  
    Gifts and entertainment, Rule 3220, **2:180**  
    “New issues” restrictions, Rule 5130, **2:126**  
    Operation of rule, **2:126.50**  
    Outside employment, Rule 3270, **2:108**  
    Private securities transactions, Rule 3280, **2:107**  
    Stock exchange requirements, **2:156**

**FIRST BENEFICIAL OWNERSHIP TEST**

Section 16, **3:31**

**FIVE-PERCENT BENEFICIAL OWNERS**

Section 13(d), **3:2**

**FOREIGN ADVISERS**

Form PF, **4:10**  
Registration, **1:32, 1:41**  
Unaio de Bancos de Barsileiros S.A., SEC No-Action Letter, 1992 WL 183054, Fed. Sec. L. Rep. 76,425 (July 28, 1992) (Foreign Advisers, Services to U.S. Clients), **App. C1**

**FOREIGN BROKER-DEALERS**

Registration exclusions from definition of investment adviser, **1:23**

**FOREIGN CLIENTS**

Registration exemption, **1:32**

**FOREIGN FUNDS**

Commodity trading advisor, **1:54**  
Form PF, **4:10**

**FOREIGN LAWS AND REGULATIONS**

Reports and reporting, **3:38**

**FOREIGN PERSONS**

Federal investment limitations, **3:37**  
Holdings of long-term securities by U.S. and foreign residents, Form TIC-SLT, **3:37**  
Performance fees, **2:16**

**FOREIGN PRIVATE ADVISERS**

Registration exemption, **1:32**

**FORM 3**

Section 16 reporting requirements, **3:28**

**FORM 4**

Section 16 reporting requirements, **3:28**

**FORM 5**

Section 16 reporting requirements, **3:28**

**FORM 13F**

Reports and reporting, **3:1, 3:16, 3:16.50**

**FORM 13H**

Generally, **3:25, 4:4**  
Reports and reporting, large traders, **3:25**

**FORM ADV**

**Brokerage/Soft Dollar Arrangements** (this index)

**Disclosure** (this index)

Form CRS, **1:75.10**

Form PF, filing by multiple advisory entities under common control filing single Form ADV, **4:9**

**Registration** (this index)

Requirements, **1:76**

**FORM ADV-W (WITHDRAWAL FORM)**

Generally, **1:64**

**FORM CRS**Form ADV, **1:75.10****FORM LM-10**Gifts and entertainment, payments, **2:181****FORM PF**Generally, **4:1, 4:11**Advisers within banks, **4:8**Aggregation of assets, private fund advisers, **4:5**Commodity pool operators and managed futures fund advisers, **4:7**Commonly controlled multiple advisory entities filing single Form ADV, **4:9**Confidentiality of information, **4:16**Explanation and guide to completing form, **4:1 to 4:15**Fees, **4:15**Filing Form PF, **4:15**Guidelines, **4:13**Key terms and concepts, **4:12**Large private fund advisers, **3:19, 4:2**Managed futures fund advisers, **3:21, 4:7**Methodologies, **4:13**Non-U.S. advisers and funds, private fund advisers, **4:10**Overview of Form PF, **4:11**

Private fund advisers

Advisers within banks, **4:8**Aggregation of assets, **4:5**Commonly controlled multiple advisory entities filing single Form ADV, **4:9**Large private fund advisers, **4:2**Managed futures fund advisers and commodity pool operators, **4:7**Multiple advisory entities under common control, **4:9**Non-U.S. advisers and funds, **4:10**"Private Fund Assets Under Management," calculating, **4:4**"Regulatory Assets Under Management," calculating, **4:4**Small private fund advisers, **4:3**Sub-advisers, **4:6**Private fund advisers and others, reporting by, **3:18**"Private Fund Assets Under Management," calculating, **4:4**"Regulatory Assets Under Management," calculating, **4:4**Small private fund advisers, **3:20, 4:3**Sub-advisers, **4:6**Tips for completing form, **4:14****FORMS BE-10 AND BE-180**Reports and reporting, Bureau of Economic Analysis (BEA), **3:37.51****FORM TIC-SLT**Reports and reporting, holdings of long-term securities by U.S. and foreign residents, **3:37****FORM OF "BIG BOY" LETTER**Generally, **App. F8****FORMULAS**Advertising and other communications, **2:68****FULCRUM FEES**Defined, **2:13**Investment Company Act, Release No. 7113 and Release No. 315, 1972 WL 121274 (April 6, 1972) (Fulcrum Fees), **App. B3**Use of, **2:13****FUND EXPENSES**Brokerage/soft dollar arrangements, **2:139****FUTURES TRANSACTIONS**Generally, **2:112**Allocation of securities and advisory recommendations among clients and aggregation of orders, **2:112**Brokerage/soft dollar arrangements, **2:141****GENERAL FINANCIAL ADVICE**Registration, Section 202(a)(11) definition of investment adviser, **1:10****GIFTS**Generally, **2:179**FINRA requirements, **2:180**Form LM-10, payments to labor organizations, union officials and related trusts, **2:181**Payments to labor organizations, union officials and related trusts (Form LM-10), **2:181**Plan fiduciaries, **2:182****GLOBAL INVESTMENT PERFORMANCE STANDARDS (GIPS)**Advertising and other communications, **2:84, 2:87**Clover Capital no-action letter, net fee issues for composites, **2:79**SEC No-Action Letter, 1996 WL 729385 (Dec. 18, 1966), **App C14****GOVERNMENTAL AND RELATED ENTITIES**Registration exclusions from definition of investment adviser, **1:27****GRAPHS**Advertising and other communications, **2:68****GREENWASHING**ESG, **2:158.30****GROUPS**Beneficial owners, **3:4**

## **HEDGE CLAUSES**

Investment Advisers Act, Release No. 58, 1951 WL 1363 (Apr. 10, 1951) (Hedge Clauses), **App. B1**

## **HOENIG & CO., INC.**

Charles Lerner, Esq., SEC No-Action Letter, 1988 WL 235186, Fed. Sec. L. Rep. 78,871 (Oct. 25, 1988); § 28(e) of Securities Exchange Act of 1934, SEC No-Action Letter, 1990 WL 304860, Fed. Sec. L. Rep. 79,499 (July 25, 1990); Hoenig & Co., Inc., SEC No-Action Letter, 1990 WL 287014, Fed. Sec. L. Rep. 79,639 (Oct. 15, 1990) (Soft Dollars), **App. C11**

## **“HOLDING OUT” TO PUBLIC**

Family office, **1:26**  
Foreign private advisers, **1:32**  
Registration exemption, **1:35**

## **HOUSE REPORT**

Advisers Act, **App. D2**

## **IDENTITY THEFT PROGRAM**

Regulation S-ID, **2:177.50**

## **IDLE CASH**

Custody or possession of client assets, **2:55**  
Duty to manage, **2:55**

## **IMPERSONAL ADVISORY SERVICES**

Trading process exemption, Rule 206(3)-1 (17 CFR § 275.206(3)-1), **2:99**

## **INITIAL DELIVERY, BROCHURE**

Disclosure to clients, **2:41, 2:42**

## **INITIAL EQUITY PUBLIC OFFERINGS**

FINRA “new issue” restrictions, **2:123 to 2:125**

## **INSIDER TRADING**

Generally, **2:171 to 2:175**  
“Big Boy” letters, **2:175**  
Creditors’ committees, **2:172, 2:173**  
Section 204A, generally, **2:171 to 2:175**  
Special investment activities, **2:172, 2:174**  
Written polices and procedures, **2:171**

## **INSPECTIONS**

Generally, **2:208 to 2:216**  
Brokerage/soft dollar arrangements, **2:143**  
“Cause” inspections, **2:211**  
Department of Labor, **2:215**  
Private fund advisers, SEC OCIE examinations of, **2:212.50**  
“Regular” inspections, **2:210**  
Results of SEC inspection, **2:213**  
SEC, generally, **2:208 to 2:214**  
SEC Inspection Manual, **2:214**

## **INSPECTIONS—Cont’d**

SEC Investment Advisor Examination Request, **App. F9**  
Sharing information among regulators, **2:216**  
“Sweep” inspections, **2:212**  
Types of inspections, **2:209 to 2:212**

## **INSTITUTIONAL INVESTMENT MANAGERS**

Section 13(f) reporting, **3:13 to 3:15**

## **INSURANCE**

**Bonding** (this index)  
**Insurance Companies** (this index)

## **INSURANCE COMPANIES**

Commodity trading advisor, **1:48**  
Registration exemption for advisers to, **1:30**  
State investment limitations, **3:48**

## **INTERIM RELIEF**

Advertising and other communications, **2:79**

## **INTERNAL CONTROL REPORTS**

SSAE 18, **2:170.50**

## **INTERNET**

Chat rooms, **2:90**  
Day trading web sites, **1:14.60**  
E-mail, **2:90**  
Records and recording, internet investment advisers, **2:62**  
Social media, **2:91.50**

## **INTRASTATE ADVISERS**

Registration exemption, **1:29**

## **INVESTMENT ADVISER EXAMINATION**

Generally, **2:208 to 2:216**  
Examination request letter, **App F9**  
Inspection Manual (1980), **2:214**  
Types of inspection, **2:209**

## **INVESTMENT ADVISER REPRESENTATIVES**

Definition, **1:66**  
State registration and regulation, **1:66**

## **INVESTMENT ADVISERS ACT**

Generally, **2:1 et seq., App. A1**  
Accounting Series Release No. 103, Investment Advisers Act Release No. 201, 1966 WL 84079 (May 26, 1966) (Accountant’s Examination), **App. B2**  
Hedge Clauses, Release No. 58, 1951 WL 1363 (Apr. 10, 1951), **App. B1**  
History, **App. D1**  
House Report, **App. D2**  
Interpretation of Section 206(3) of Investment Adviser Act of 1940, **App. B9**

**INVESTMENT ADVISERS ACT—Cont'd**  
 Rules Under the Investment Advisers Act, **App. A2**  
 Study, **App. D3**

**INVESTMENT COMPANIES**  
 Advisory contracts, **2:6**  
 Advisory fees, mutual funds, Section 36(b), **2:23**  
 Registration exemption, **1:37**  
 Sub-advisers, **2:194**

**INVESTMENT COUNSEL**  
 Defined, **2:167**  
 Use of term "RIA," **2:166**

**INVESTMENT COUNSEL ASSOCIATION OF AMERICA**  
 SEC no-action letters, **App. C19**

**INVESTMENT DECISIONS**  
 Generally, **2:5**  
 Records and recording, **2:63**

**INVESTMENT GUIDELINES**  
 Generally, **2:5**

**"INVESTMENT MANAGER"**  
 ERISA, **2:218**

**INVESTMENT POOLS**  
 Pay-to-play restrictions, **2:191**

**INVESTMENT REPRESENTATION LETTER**  
 Sample, **App. F7**

**J.P. MORGAN INVESTMENT MANAGEMENT, INC.**  
 SEC No-Action Letter, "Model" fees for separately managed accounts, **2:80**

**KNOWLEDGE**  
 Notice and Knowledge (this index)

**LABOR DEPARTMENT**  
 Department of Labor (DOL) (this index)

**LABOR ORGANIZATIONS**  
 Gifts and entertainment, payments, **2:181**

**LARGE POSITION REPORTING**  
 Treasury Department regulations, **3:36**

**LARGE PRIVATE FUND ADVISERS**  
 Form PF, **3:19, 4:2**

**LARGE TRADER**  
 Generally, **3:22**  
 Broker-dealer obligations, **3:26**  
 Covered transactions, **3:24**  
 Definition of large trader, **3:23**  
 Form 13H, **3:25**

**LATEST TRENDS AND DEVELOPMENTS**  
 Compliance for anti-money laundering rules, extension, **5:3**  
 Court ruling on environmental, social, governance, (ESG) investments, **5:1**  
 Crypto custody, guidance, **5:4**  
 Executive order on including alternative assets in 401(k) plans, **5:2**  
 Private fund advisers, rescission of SEC rules, **5:1**  
 Proxy voting advisors, **5:5**

**LEGISLATIVE HISTORY**  
 Advisers Act, **App D1**

**LETTERS**  
 Investment Representation Letter, sample, **App. F7**  
 SEC. **Securities and Exchange Commission (SEC)** (this index)

**LICENSES AND PERMITS**  
 Broadcast licensees, **3:42**  
 Casino licensees, **3:49**  
 SEC, certain advisers permitted to register with, **1:40**

**LIMITATIONS AND RESTRICTIONS**  
 Generally, **3:39 to 3:54**  
 Anti-takeover laws, **3:50**  
 Antitrust laws, **3:43**  
 Banks, **3:40**  
 "Beneficial ownership" definitions, **3:53**  
 Broadcast licensees, **3:42**  
 Casino licensees, **3:49**  
 Common carriers, **3:46**  
 Comsat, **3:47**  
 Definitions, **3:53**  
 ERISA-eligible investments, **3:54**  
 Federal investment limitations  
   Generally, **3:39 to 3:47**  
   Antitrust laws, **3:43**  
   Banks, **3:40**  
   Broadcast licensees, **3:42**  
   Common carriers, **3:46**  
   Comsat, **3:47**  
   Foreign persons, acquisitions by, **3:44**  
   Public utilities, **3:41**  
   Small business investment companies, **3:45**

**FINRA** (this index)  
 Foreign persons, acquisitions by, **3:44**  
 Insurance companies, **3:48**  
 Investment companies, **3:45**  
 Issuer limitations, **3:52**  
 Licenses and permits, **3:42, 3:49**  
 Poison pills, issuer limitations, **3:52**  
 Public service companies, **3:51**  
 Public utilities, **3:41**

**LIMITATIONS AND RESTRICTIONS—Cont'd**

- Registration, **1:25**
- Small business investment companies, **3:45**
- Solicitors, "pay-to-play" restrictions, **2:190**
- State investment limitations
  - Generally, **3:39, 3:48 to 3:51**
  - Anti-takeover laws, **3:50**
  - Casino licensees, **3:49**
  - Insurance companies, **3:48**
  - Public service companies, **3:51**

**"LOCK-UP" PERIODS**

- Private Funds** (this index)

**MANAGED FUTURES FUND ADVISERS**

- Form PF, **3:21, 4:7**

**MANAGERS AND MANAGEMENT**

- Clover Capital Management, Inc., 1986 WL 67379, Fed. Sec. L. Rep. 78,378 (Oct. 28, 1986) (Performance Advertising), **App. C6**
- Institutional investment managers, Section 13(f), **3:13 to 3:15**
- "Investment manager," status as, **2:218**
- JPMIM no-action letter, "model" fees for separately managed accounts, **2:80**
- Performance fees, **2:12**
- "Qualified professional asset manager," status as, **2:219**

**MANUALS**

- SEC Inspection Manual, **2:214**

**MARKETS IN FINANCIAL INSTRUMENTS**

**DIRECTIVE**

- No-action letters, **2:145.50**

**MID-SIZE PRIVATE FUND ADVISERS**

- Registration, **1:38, 1:39**

**"MINI-ACCOUNTS"**

- Generally, **2:114 to 2:120**
- Asset allocation programs, **2:116**
- Confirmations, **2:119**
- Disclosure, **2:118**
- Form ADV-Part 2A, **2:118**
- Rule 3a-4 (17 CFR § 270.3a-4), **2:120**
- Separately managed accounts, **2:115**
- 17 CFR § 270.3a-4, **2:120**
- Wrap fee programs, **2:115**
- Wrap fee trading, **2:117**

**"MIXED USE" PRODUCTS AND SERVICES**

- Brokerage/soft dollar arrangements, **2:131**

**MODEL FEES**

- Advertising and other communications, **2:80**

**MODEL OR ACTUAL PERFORMANCE**

- Advertising and other communications, **2:72**

**MODEL PERFORMANCE RESULTS**

- Advertising and other communications, **2:73**

**MODEL PRIVACY NOTICES**

- Generally, **App. F14**

**MODEL REGULATION S-AM NOTICE**

- Generally, **2:47**
- Initial opt-out notice, **App. F14**

**MONETARY PENALTIES**

- SEC, **2:205**

**MOST FAVORED NATION**

- Advisory contracts, **2:5.50**

**MULTIPLE ADVISORY ENTITIES UNDER COMMON CONTROL**

- Form PF, **4:9**

**MULTIPLE STYLE PORTFOLIOS**

- Wrap Fee Programs** (this index)

**MUNICIPAL ADVISORS**

- Registration, **1:43.50**

**MUTUAL FUNDS**

- Affiliated mutual fund, use of, **2:24 to 2:27**
- ERISA Prohibited Transaction Class Exemption 77-4 (March 31, 1977) (Use of Affiliated Mutual Funds), **App. A5**

**NET FEES**

- Advertising and Other Communications** (this index)

**NEW ISSUES**

- FINRA** (this index)

**NO-ACTION LETTERS**

- Clover Capital no-action letters. **Advertising and Other Communications** (this index)
- Markets in financial instruments directive, **2:145.50**
- SEC No-Action Letters** (this index)

**NON-CASH REFERRAL FEES**

- Solicitors, **2:189**

**NON-RESIDENTS**

- Registration, **1:60**

**NOTICE AND KNOWLEDGE**

- Care, standard of, "know your customer" obligations, **2:162**
- Disclosure to clients, privacy notices, **2:46**
- Model privacy notices, **App. F13**
- Model Regulation S-AM notice, **App. F14**

**OFFICE OF COMPLIANCE INSPECTIONS AND EXAMINATIONS (OCIE)**

- Cybersecurity initiative, **App. C14**

**OFFICERS**Section 16, **3:27 to 3:33****ONE-ON-ONE PRESENTATIONS**

Investment Company Institute, SEC No-Action Letter, 1987 WL 108068 (Aug. 24, 1987); Investment Company Institute, SEC No-Action Letter, 1988 WL 235022 (September 23, 1988), **App. C7**  
Net of fees exception, **2:77**

**ONGOING DELIVERY**Disclosure to clients, “brochure” rule, **2:44****ORDERS**

Aggregation of brokerage orders for clients, **2:110**  
“Side-by-side” trading, **2:110.50**

**ORDINARY COURSE OF BUSINESS**Section 13(g), **3:8****OUTSIDE EMPLOYMENT**Rule 3270 of FINRA Rules, **2:108****OVERDRAFTS**Custody or possession of clients assets, **2:56****OVERLAY PORTFOLIO MANAGERS****Wrap Fee Programs** (this index)**PASSIVE BULLETIN BOARDS**

Registration, Section 202(a)(11) definition of investment adviser, **1:14.50**

**PASSIVE INVESTORS**Section 13(g), **3:11, 3:12****PAST SPECIFIC RECOMMENDATIONS**Advertising and other communications, **2:67****“PAYING UP” FOR RESEARCH****Brokerage/Soft Dollar Arrangements** (this index)**PAYMENT OF FUND EXPENSES**

Brokerage/soft dollar arrangements  
Generally, **2:139**

**“PAY-TO-PLAY”**Generally, **2:190**Records, **2:58**Solicitors, restrictions, **2:190****PENALTIES**Criminal penalties, **2:206**Monetary penalties and other remedies, **2:205****“PENALTY BID”/“FLIPPING”**FINRA, anti-spinning restrictions, **2:128.53****PENSION AND WELFARE BENEFIT****ADMINISTRATION (PWBA)**

U.S. Department of Labor (March 21, 1996),  
**App. C17**

**PENSION PLANS**“Economically targeted investments,” **3:45**Payments to labor organizations, **2:181**Proxy voting, **2:152 to 2:154**

Registration, Section 202(a)(11) definition of investment adviser, **1:12**

**PERFORMANCE ADVERTISING****Advertising and Other Communications** (this index)**PERFORMANCE DATA, USE OF****Advertising and Other Communications** (this index)**PERFORMANCE FEES**Generally, **2:10 to 2:21**Assets under management, fees based on, **2:12**Business development company fees, **2:14**ERISA requirements, generally, **2:20**

Exceptions to prohibitions

Generally, **2:11 to 2:18**Assets under management, fees based on, **2:12**Business development company fees, **2:14**Foreign persons, **2:16**Fulcrum fees, **2:13**Qualified clients, **2:18**“Qualified purchaser” private investment company, **2:15**Sophisticated clients, Rule 205-3 (17 CFR § 275.205-3), **2:17, 2:18**FINRA requirements, generally, **2:21**Foreign persons, **2:16**Fulcrum fees, **2:13**Private investment company, **2:15**Qualified clients, **2:18**“Qualified purchaser” private investment company, **2:15**Rule 205-3, **2:17, 2:18**Sophisticated clients, Rule 205-3 (17 CFR § 275.205-3), **2:17, 2:18**State law requirements, **2:19****PERMIT TRADING**

Registration, Section 202(a)(11) definition of investment adviser, **1:14.30**

**PERSONAL SECURITIES TRANSACTIONS**Generally, **2:61****PLACE OF BUSINESS**Definition, **1:69**Foreign private adviser, **1:32**

**PLANNING**

Business continuity planning, **2:176**  
Financial planning, **1:9, 1:21**

**POISON PILLS**

Limitations and restrictions, **3:52**

**POOL OPERATORS**

Commodity trading advisor, **1:49**

**POSSESSION**

**Custody or Possession of Clients Assets** (this index)

**PREDECESSOR ADVISER**

Advertising and other communications, **2:85, 2:87**

**PREPAID ADVISORY FEES**

Generally, **2:22**

**PRESS, COMMUNICATIONS WITH**

Generally, **2:91**

**PRIME BROKERS**

Eligibility to use, **2:221**

**PRINCIPAL TRADES/COMMODITY FUTURES**

Brokerage/soft dollar arrangements, **2:141**

**PRINCIPAL TRANSACTIONS**

Generally, **2:97**

**PRIOR ADVISERS**

Advertising and other communications, use of performance data, **2:85, 2:86, 2:87**

**PRIVACY NOTICES**

Disclosure to clients, **2:46**

Model privacy notices, **App. F13**

Regulation S-AM, **App. F14**

Regulation S-P, **2:46**

**PRIVATE COMMODITY TRADING ADVISORS**

Exemptions, **1:51**

**PRIVATE EQUITY INVESTING**

Registration, Section 202(a)(11) definition of investment adviser, **1:11**

**“PRIVATE FUND ASSETS UNDER MANAGEMENT”**

Form PF, calculation, **4:4**

**PRIVATE FUND INVESTMENT ADVISERS REGISTRATION ACT**

Investment Advisers Act of 1940, **App. A1**

**PRIVATE FUND RECORDS**

Generally, **2:59**

**PRIVATE FUNDS**

Level of assets managed, new Form PF. **Reports and Reporting** (this index)  
Performance fees, **2:18**

**PRIVATE INVESTMENT ADVISERS**

**Registration** (this index)  
**Reports and Reporting** (this index)

**PRIVATE INVESTMENT COMPANY**

Performance fees, **2:15**

**PRIVATE RIGHT OF ACTION**

Section 215, **2:202**  
Transamerica Mortgage Advisors, Inc. v. Lewis, 444 U.S. 11 (1979), **App. F3**

**PRIVATE SECURITIES TRANSACTIONS**

FINRA Rule 3280, **2:107**

**PROXY VOTING**

Generally, **2:146 et seq.**  
Advisers and proxy voting firms, SEC guidance on proxy voting responsibilities of (Rule 206(4)-6), **2:151.75**  
Class action settlement claims, filing, **2:159**  
Decisions to tender shares, **2:154**  
DOL Regulation 404a-1, **2:158.10**  
ERISA requirements, Interpretive Bulletins 08-2 and 2015-01, **2:152, App. C12**  
ESG debate, **2:158.60**  
ESOPs, **2:153**  
FINRA requirements, **2:155 to 2:157**  
Pension accounts, **2:152 to 2:154**  
Rule 206(4)-6, SEC guidance on proxy voting responsibilities of advisers and proxy voting firms, **2:151.75**  
SEC requirements, **2:147 et seq.**  
“Socially responsible investing”/ESG investments, **2:158**  
Stock exchange requirements, **2:155 to 2:157**  
Tender shares, **2:154**  
Written policies and procedures, **2:148**

**“PRUDENT MAN” RULE**

Generally, **2:163, 2:164**

**PUBLIC SERVICE COMPANIES**

State investment limitations, **3:51**

**PUBLIC UTILITIES**

Federal investment limitations, **3:41**

**QUALIFICATIONS**

Client as qualified, **2:18**  
Custody or possession of clients assets, qualified custodian, **2:51**  
ERISA, status as “qualified professional asset manager,” **2:219**  
Institutional investors, **3:6 to 3:12**

**QUALIFICATIONS—Cont'd**

- Performance fees, **2:15, 2:18**
- Private investment company, **2:15**
- Professional asset manager, **2:219**
- Regulation and compliance, generally, **2:64**
- SEC, disqualification provisions, **2:204**
- Solicitors, **2:186**

**QUALIFIED PROFESSIONAL ASSET MANAGER (QUAM)**

- ERISA, **2:219**

**QUESTIONNAIRES**

- Brochure supplement questionnaire, **App. E6**

**QUID PRO QUO ALLOCATIONS**

- FINRA, anti-spinning restrictions, **2:128.51**

**RECORDS AND RECORDING**

- Generally, **2:57 to 2:63.50**
- Advertising and other communications, **2:83**
- Antifraud provisions, **2:32**
- Code of ethics, **2:61**
- Destruction programs, **2:63.50**
- Internet investment advisers, **2:62**
- Investment decisions, **2:63**
- Management of records, **2:63.50**
- “Pay-to-play” records, **2:58**
- Performance advertisements, **2:83**
- Personal securities transactions, **2:61**
- Private fund records, **2:59**
- Qualifications, **2:64**
- Registration, **1:58**
- Rule 204-2, **2:57 to 2:63.50**
- SEC requirements, **2:151**
- Solicitors, **2:192**

**RED FLAG RULES**

- Data protection, **2:177.50**

**REFERRAL FEES**

- Solicitors, **2:189**

**REGISTERED COMMODITY TRADING ADVISORS**

- Registration exemption, **1:34**

**REGISTERED INVESTMENT ADVISERS**

- Commodity trading advisor, **1:52**
- Investment counsel, **2:167**
- Solicitors, **2:185**
- Use of “RIA” and similar terms, **2:168**
- Use of terms  
“RIA,” **2:166**

**REGISTERED REPRESENTATIVES**

- Exclusions from definition of investment adviser, **1:22**
- Registration (this index)

**REGISTRATION**

- Generally, **1:1 et seq.**
- Accountants, **1:18**
- Advisers to small business investment companies, **1:37**
- Amendments, **1:62, 1:63**
- Annual updating amendment, **1:63**
- Applicant defined, **1:56**
- Assets under management test, **1:39**
- “Assets under management” test, **1:39**
- Attorneys, **1:18**
- Banks and bank holding companies, **1:16, 1:17**
- Bona fide publishers, **1:24**
- Broker-dealers, **1:19 to 1:23.50, 1:43**
- Bulletin boards, **1:14.50**
- Charitable organizations, officials, and church plans, **1:33**
- Commodity Trading Advisor** (this index)
- Compensation, **1:4, 1:21**
- Cryptocurrencies, **1:14**
- Day trading, **1:14.60**
- Day trading web sites, **1:14.60**
- Definitions
  - Applicant, **1:56**
  - Investment adviser, generally, **1:3 to 1:27**
  - Security, **1:7**
- De minimis standard, **1:67**
- Disclosure reporting pages to Form ADV, **1:73**
- Educational materials, **1:12**
- Engaged “in the business,” **1:5**
- Engineers, **1:18**
- Exclusions from definition of investment adviser
  - Accountants, **1:18**
  - Attorneys, **1:18**
  - Banks and bank holding companies, **1:16, 1:17**
  - Bona fide publishers, **1:24**
  - Broker-dealers, **1:19 to 1:23.50**
  - Engineers, **1:18**
  - Family offices, **1:26**
  - Foreign broker-dealers, **1:23**
  - Givers of investment advice, efforts to harmonize requirements for, **1:23.50**
  - Governments and related entities, **1:27**
  - Registered representatives, **1:19 to 1:23.50**
  - Section 202(a)(11)(A)-(H), generally, **1:15 to 1:27**
  - Section 202(b), generally, **1:15 to 1:27**
  - “Solely incidental” broker-dealers, **1:20**
  - Special compensation of broker-dealers, **1:21**
  - Teachers, **1:18**
  - U.S. government securities, advisers limited to, **1:25**
- Exemption from registration
  - Generally, **1:28 to 1:40**

**REGISTRATION—Cont'd**

- Exemption from registration—Cont'd
  - Advisers to small business investment companies, **1:37**
  - Assets under management test, **1:39**
  - “Assets under management” test, **1:39**
  - Charitable organizations, officials, and church plans, **1:33**
  - Foreign private advisers, **1:32**
  - Insurance companies only, advisers to, **1:30**
  - Intrastate advisers, **1:29**
  - Investment companies, advisers to, **1:37**
  - Mid-size private fund advisers, **1:38, 1:39**
  - Private fund advisers, **1:36**
  - Private investment advisers
    - Generally, **1:36**
    - Foreign advisers, **1:32**
    - Investment companies, advisers to, **1:37**
  - Registered commodity trading advisors, **1:34**
  - SEC, certain advisers permitted to register with, **1:40**
  - Section 203A, **1:28 to 1:40**
  - Section 203(b), generally, **1:28 to 1:40**
  - Smaller private fund advisers, **1:38, 1:39**
  - Venture capital fund advisers, **1:35**
  - Exempt reporting advisers, **1:75**
  - Family offices, **1:26**
  - Filing requirements, **1:58**
  - Financial advice, **1:10**
  - Financial planning, **1:9**
  - Foreign advisers
    - Foreign private advisers, **1:32**
    - Offering advisory services to U.S. clients, **1:41**
  - Foreign broker-dealers, **1:23**
  - Foreign clients, **1:32**
  - Form ADV
    - Generally, **1:70 to 1:76**
    - Amendment to Form ADV, **1:62**
    - Exempt reporting advisers, **1:75**
    - Form CRS, **1:75.10**
    - Guide to completing, **1:76**
    - Initial registration, **1:57, 1:61**
    - Part 1, **1:73**
    - Part 2A, **1:68, 1:76, 2:118**
    - Part 2B, **1:74**
    - Parts 1A (including supplemental schedules) and 1B, **1:71**
    - Schedules and disclosure reporting pages, **1:73**
    - Supplemental brochure, **1:74**
  - Form ADV-W, withdrawal of registration, **1:64**
  - General advice, **1:8**
  - General financial advice, **1:10**
  - Givers of investment advice, efforts to harmonize requirements for, **1:23.50**
  - Governments and related entities, **1:27**

**REGISTRATION—Cont'd**

- Guide to completing Form ADV, **1:76**
- Initial registration
  - Generally, **1:56 to 1:61**
  - Applicant defined, **1:56**
  - Filing requirements, **1:58**
  - Form ADV, **1:57, 1:61**
  - Mechanics of completing form ADV, **1:59**
  - Multiple entities under common control filing single form, **1:56.50**
  - Non-residents, **1:60**
  - SEC review and effectiveness of Form ADV, **1:61**
- Insurance companies only, advisers to, **1:30**
- Intrastate advisers, **1:29**
- Investment adviser representatives, **1:66**
- Investment companies, advisers to, **1:37**
- Mechanics of completing form ADV, **1:59**
- Mid-size private fund advisers, **1:38, 1:39**
- Municipal advisors, **1:43.50**
- Non-residents, **1:60**
- Other regulatory regimes, registration under, **1:42 to 1:54**
  - Passive bulletin boards, **1:14.50**
  - Pension plan educational materials, **1:12**
  - Permit trading, **1:14.30**
  - Private equity investing, **1:11**
  - Private investment advisers. Exemption from registration, above
- Process, generally, **1:55 to 1:69**
- Registered commodity trading advisors, **1:34**
- Registered representatives
  - Generally, **1:22**
  - Exclusions, above
  - Status, **1:22**
  - Trading Process** (this index)
- Religious organizations, **1:33**
- Reports and reporting
  - Form ADV, schedules and disclosure reporting pages, **1:73**
  - Section 202(a)(11) definition of investment adviser, below
  - Robo-advisers, **1:13**
  - Schedules and disclosure reporting pages, Form ADV, **1:73**
  - SEC, certain advisers permitted to register with, **1:40**
  - SEC review and effectiveness of Form ADV, **1:61**
  - Section 202(a)(11)(A)-(H). Exclusions, above
  - Section 202(a)(11) definition of investment adviser
    - Generally, **1:3 to 1:27**
    - Advice, analyses, or reports about securities, generally, **1:6 to 1:14**

**REGISTRATION—Cont'd**

Section 202(a)(11) definition of investment adviser—Cont'd  
 Analyses about securities, generally, **1:6 to 1:14**  
 Compensation, **1:4**  
 Day trading web sites, **1:14.60**  
 Definition of security, **1:7**  
 Engaged "in the business," **1:5**  
 Exclusions from definition of investment adviser, above  
 Financial planning, **1:9**  
 General advice, **1:8**  
 General financial advice, **1:10**  
 Passive bulletin boards, **1:14.50**  
 Pension plan educational materials, **1:12**  
 Permit trading, **1:14.30**  
 Private equity investing, **1:11**  
 Reports about securities, generally, **1:6 to 1:14**  
 Robo-advisers, **1:13**  
 Security defined, **1:7**  
 Section 202(b). Exclusions, above  
 Section 203A. Exemption from registration, above  
 Section 203(b). Exemption from registration, above  
 Security, defined, **1:7**  
 Smaller private fund advisers, **1:38, 1:39**  
 "Solely incidental" broker-dealers, **1:20**  
 Special compensation of broker-dealer, **1:21**  
 State registration and regulation  
 Generally, **1:65 to 1:69**  
 De minimis standard, **1:67**  
 Investment adviser representatives, **1:66**  
 Registration, generally, **1:68**  
 Successor registration, **1:64.50**  
 Supplemental brochure to Form ADV, **2:36, 2:42**  
 Teachers, **1:18**  
 Tests, "assets under management" test, **1:39**  
 U.S. government securities, advisers limited to, **1:25**  
 Venture capital fund advisers, **1:35**  
 Web sites, **1:14.60**  
 Withdrawal of registration, Form ADV-W, **1:64**

**"REGULAR" INSPECTIONS**

Generally, **2:210**

**REGULATION BEST INTEREST**

Fiduciaries or representatives, **2:33.10, 2:33.20**

**REGULATION M**

Generally, **2:121 et seq.**

FINRA "new issues" restrictions, **2:121 et seq.**

**REGULATION S-AM**

Disclosure, **2:47**

Model Regulation S-AM notices, **App. F14**

**REGULATION S-ID**

Data protection, **2:177.50**  
 Identity theft program, **2:177.50**

**REGULATION S-P**

Business continuity planning, **2:177**  
 Data protection, **2:177**  
 Disclosure, **2:46**

**"REGULATORY ASSETS UNDER MANAGEMENT"**

Form PF, calculation, **4:4**

**RELATED PERFORMANCE**

FINRA (this index)

**RELATED PERSON**

Custody or possession of client assets, adviser and/or related person, **2:53**

**RELEASES**

Accounting Series Release No. 103 (Accountant's Examination), **App. B2**  
 Arleen W. Hughes, Exchange Act Release No. 4048, 27 SEC 629, 1948 WL 29537 (Feb. 18, 1948) (Fiduciary Duty), **App. B6**  
 Exchange Act Release No. 23170, 35 SEC Docket 703, 1986 WL 630442 (Apr. 23, 1986), 51 FR 16,004 (SEC Soft Dollar Guidance), **App. B7**  
 Investment Advisers Act, Release No. 201, 1966 WL 84079 (May 26, 1966) (Accountant's Examination), **App. B2**  
 Investment Company Act, Release No. 721, 20 SEC Docket 89, 1980 WL 26926 (May 16, 1980) (Contingent Fees), **App. B4**  
 Investment Company Act, Release No. 1092, 39 SEC Docket 494, 1987 WL 112702 (Oct. 8, 1987), **App. B5**  
 Investment Company Act, Release No. 7113 and Release No. 315, 1972 WL 121274 (April 6, 1972) (Fulcrum Fees), **App. B3**  
 Securities Exchange Act Release No. 54615 (July 18, 2006), **App. B11**

**RELIGIOUS ORGANIZATIONS**

Registration exemption, **1:33**

**REPORTS AND REPORTING**

Generally, **3:1 to 3:38**  
 Advisers Act, House Report, **App. D2**  
 Auction bids, Treasury Department regulations, **3:35**  
 Beneficial owners, **3:2 to 3:5, 3:27 to 3:33**  
 Bids and bidding, **3:35**  
 Brokerage/soft dollar arrangements, **2:143**  
 Broker-dealers' obligations, **3:26**  
 Bureau of Economic Analysis (BEA), forms BE-10 and BE-180, **3:37.51**  
 Calculating beneficial ownership, **3:3**

**REPORTS AND REPORTING—Cont'd**

Claims on, form TIC B, **3:37.50**  
 Confidential treatment, **3:17**  
 Definitions  
   Ordinary course of business, Section 13(g), **3:8**  
   Qualified institutional investors, Section 13(g),  
     **3:7**  
 Section 13(f), institutional investment managers, **3:14**  
 Section 13(g), "passive investors," **3:11**  
 Section 13(g), "qualified institutional investors," **3:7**  
 Directors, **3:27 to 3:33**  
 Filing, **3:29**  
 First beneficial ownership test, Section 16, **3:31**  
 Five-percent beneficial owners, Section 13(d),  
   **3:2**  
 Foreign laws and regulations, **3:38**  
 Foreign residents, form TIC B, **3:37.50**  
 Forms  
   3, 4 and 5, **3:28**  
   13F information, **3:16, 3:16.50**  
   13H, large traders, **3:25**  
   ADV, **1:73**  
   BE-10 and BE-180, Bureau of Economic Analysis (BEA), **3:37.51**  
   **Form PF** (this index)  
     TIC B, liabilities, claims, foreign residents,  
       **3:37.50**  
     TIC-SLT, holdings of long-term securities by  
       U.S. and foreign residents, **3:37**  
 Groups, **3:4**  
 Institutional investment managers, **3:13 to 3:15**  
 Large position reporting, Treasury Department  
   regulations, **3:36**  
 Larger private fund adviser, Form PF, **3:19**  
 Large trader reporting requirements  
   Broker-dealers' obligations, **3:26**  
   Section 13(h), large traders, **3:22, 3:23**  
 Liabilities to, form TIC B, **3:37.50**  
 Managers, **3:13 to 3:15**  
 Monthly short sale reports, **3:17.60**  
 Officers, **3:27 to 3:33**  
 Passive investors, **3:6, 3:11, 3:12**  
 Prompt amendment, **3:5**  
 Qualified institutional investors, **3:6 to 3:12**  
**Registration** (this index)  
 Requirements, **3:5**  
 Second beneficial ownership test, Section 16,  
   **3:32**  
 Section 13(d), five-percent beneficial owners, **3:2**  
 Section 13(f), institutional investment managers,  
   **3:13 to 3:15**  
 Section 13(f), "Say-on-Pay" votes, **3:17.50**  
 Section 13(g), "passive investors," **3:6, 3:11,**  
   **3:12**

**REPORTS AND REPORTING—Cont'd**

Section 13(g), "qualified institutional investors,"  
   **3:6 to 3:12**  
 Section 13(h) large traders  
   Generally, **3:22**  
   Covered transactions, **3:24**  
   Definition of large traders, **3:23**  
   Form 13H, **3:25**  
 Section 16, directors, officers, and greater than  
   ten-percent beneficial owners, **3:27 to 3:33**  
 Ten-percent beneficial owners, **3:27 to 3:33**  
 Tests, **3:30 to 3:32**  
 Treasury Department regulations, **3:34 to 3:36**  
 Trustees, activities as, **3:33**

**RESEARCH**

**Brokerage/Soft Dollar Arrangements** (this  
   index)

**RFPs (REQUESTS FOR PROPOSALS)**

Status as advertisements, **2:89**

**RIA**

Use of term, **2:168**

**ROBO-ADVISERS**

Registration, **1:13**

**RULE 3a-4**

Investment Company Act, **App. A9**  
   "Mini-accounts," **2:120**

**RULE 13h-1**

Selected rules under Securities Exchange Act,  
   **App. A3**

**RULE 15a-6**

Selected rules under Securities Exchange Act,  
   **App. A3**

**RULE 144A SECURITIES**

Purchaser of, **2:220**

**RULE 203(E)(6)**

Personal liability of in-house and compliance  
   professionals, **2:170.30**

**RULE 203(M)-1**

Private fund advisers, exemption from registration, **1:36**

**RULE 204-2**

Records and recording, **2:57 to 2:63.50**

**RULE 204-3**

**Disclosure to Clients** (this index)

**RULE 205-3**

Performance fees, **2:17, 2:18**

**RULE 206(3)-1**

Exemption for impersonal services, **2:99**

**RULE 206(3)-2**  
Cross transactions and cross trading, **2:94**

**RULE 206(4)-1**  
Advertising and other communications, **2:66 to 2:68.50**  
SEC guidance on performance advertising deficiencies, **2:83.50**

**RULE 206(4)-2 (CUSTODY RULE)**  
Custody or possession of clients assets, **2:49**

**RULE 206(4)-3**  
**Solicitors** (this index)

**RULE 206(4)-5**  
Pay-to-play, **2:190, 2:192**

**RULE 206(4)-6**  
SEC guidance on proxy voting responsibilities of advisers and proxy voting firms, **2:151.75**  
SEC requirements, **2:147**

**RULE 206(4)-7**  
Personal liability of in-house and compliance professionals, **2:170.30**  
Supervision and compliance, **2:169, 2:170**

**RULE 206(4)-8**  
Antifraud provisions, **2:31**

**RULE 3270 OF FINRA**  
Outside employment, **2:108**

**RULE 3280 OF FINRA**  
Private securities transactions, **2:107**

**RULES UNDER INVESTMENT ADVISERS ACT**  
Generally, **App. A2**

**RULES UNDER SECURITIES EXCHANGE ACT**  
Rule 13h-1, **App. A3**  
Rule 15a-6, **App. A3**

**SAFE HARBOR FOR “PAYING UP” FOR RESEARCH**  
**Brokerage/Soft Dollar Arrangements** (this index)

**SALE**  
**Short Sale** (this index)

**SCHEDULES AND DISCLOSURE REPORTING PAGES**  
Registration, Form ADV, **1:73**

**SEC NO-ACTION LETTERS**  
Charles Lerner, Esquire, SEC No-Action Letter, 1988 WL 235186, Fed. Sec. L. Rep. 78,871 (Oct. 25, 1988); Section 28(e) of Securities Exchange Act of 1934, SEC No-Action Letter, 1990 WL 304860, Fed. Sec. L. Rep.

**SEC NO-ACTION LETTERS—Cont’d**  
79,499 (July 25, 1990); Hoenig & Co., Inc., SEC No-Action Letter, 1990 WL 287014, Fed. Sec. L. Rep. 79,639 (Oct. 15, 1990) (Soft Dollars), **App. C11**  
Investment Company Institute, SEC No-Action Letter, 1987 WL 108068 (Aug. 24, 1987); Investment Company Institute, SEC No-Action Letter, 1988 WL 235022 (September 23, 1988) (One-on-One Presentations), **App. C7**  
Investment Counsel Association of America, **App. C19**  
Securities Industry Association, SEC No-Action Letter, 1989 WL 246550 (Nov. 27, 1989) (Performance Advertising), **App. C8**  
SMC Capital, Inc., 1995 WL 529274, Fed. Sec. l. Rep. 77,049 (Sept. 5, 1995) (allocation and aggregation procedures), **App. C13**  
The TCW Group, Inc., **App. C18**  
Unaio de Bancos de Barsileiros S.A., 1992 WL 183054, fed. sec. l. rep. 76,425 (July 28, 1992) (foreign advisers, services to U.S. clients), **App. C1**

**SECOND BENEFICIAL OWNERSHIP TEST**  
Section 16, **3:32**

**SECTION 13(d)**  
Five-percent beneficial owners, **3:2**

**SECTION 13(f)**  
Institutional investment managers, **3:13 to 3:15**

**SECTION 13(g)**  
Generally, **3:6 to 3:12**  
“Control persons” of qualified institutional investors, **3:10**  
“Ordinary course of business,” **3:8**  
“Passive investors,” **3:6, 3:11, 3:12**  
“Qualified institutional investors,” **3:6 to 3:12**

**SECTION 13(h)**  
Generally, **3:22**  
Broker-dealer obligations, **3:26**  
Covered transactions, **3:24**  
Definition of large trader, **3:23**  
Form 13H, **3:25**

**SECTION 16**  
Directors, officers, and greater than ten-percent beneficial owners, **3:27 to 3:33**

**SECTION 28(e)**  
**Brokerage/Soft Dollar Arrangements** (this index)

**SECTION 203A**  
Registration exemption, generally, **1:28 to 1:40**

**SECTION 203(b)**  
**Registration** (this index)

**SECTION 203(E)**  
 Disqualification provisions, **2:204**

**SECTION 203(e)(6)**  
 Supervise, duty to, **2:169**

**SECTION 203(J)**  
 Monetary penalties and other remedies, **2:205**

**SECTION 203(M)**  
 Private fund advisers, exemption from registration, **1:36**

**SECTION 204A**  
 Insider trading, **2:171 to 2:175**

**SECTION 206**  
 Antifraud provisions, **2:30**

**SECTION 206(3)**  
 Generally, **2:93**  
 Interpretation of Section 206(3) of Investment Adviser Act of 1940, **App. B9**

**SECTION 207**  
 Antifraud provisions, **2:32**

**SECTION 215**  
 Private right of action, **2:202**

**SECTION 217**  
 Criminal penalties, **2:206**

**SECURITIES AND EXCHANGE COMMISSION (SEC)**  
 Generally, **2:203 to 2:214**  
 Arleen W. Hughes, Exchange Act Release No. 4048, 27 SEC 629, 1948 WL 29537 (Feb. 18, 1948) (Fiduciary Duty), **App. B6**  
 Capital Gains Research Bureau case, 375 U.S. 18 (1963) (Fiduciary Duty of Adviser), **App. F1**  
 Conflict of interest, **2:149**  
 Criminal penalties, **2:206**  
 Deficiency Letters, sample, **App. F5**  
 Disciplinary information, access to, **2:207**  
 Disclose how to obtain voting information, **2:150**  
 Disqualification provisions, **2:204**  
 Exchange Act Release No. 23170, 35 SEC Docket 703, 1986 WL 630442 (Apr. 23, 1986), 51 FR 16,004 (SEC Soft Dollar Guidance), **App. B7**  
 Form ADV, review and effectiveness of, **1:61**  
 Information on voting, disclose how to obtain, **2:150**  
**Inspections** (this index)  
 Investment Advisor Examination Request, **App. F9**

**SECURITIES AND EXCHANGE COMMISSION (SEC)—Cont'd**  
 Investment Company Act, Release No. 721, 20 SEC Docket 89, 1980 WL 26926 (May 16, 1980) (Contingent Fees), **App. B4**  
 Investment Company Act, Release No. 1092, 39 SEC Docket 494, 1987 WL 112702 (Oct. 8, 1987), **App. B5**  
 Latest trends. **Latest Trends and Developments** (this index)  
**Latest Trends and Developments** (this index)  
 Monetary penalties and other remedies, **2:205**  
 No-action letters. **SEC No-Action Letters** (this index)  
 Overseeing proxy voting advisors, **2:151.50**  
 Penalties, **2:205, 2:206**  
 Performance advertising deficiencies, SEC guidance on, **2:83.50**  
 Proxy voting, **2:147 et seq.**  
 Proxy voting responsibilities of advisers and proxy voting firms (Rule 206(4)-6), guidance on, **2:151.75**  
 Qualifications, **2:204**  
 Records, **2:151**  
 Registration exemption, **1:40**  
 Written proxy voting policies and procedures, **2:148**

**SECURITIES EXCHANGE ACT (1934)**  
 Arleen W. Hughes, Exchange Act Release No. 4048, 27 SEC 629, 1948 WL 29537 (Feb. 18, 1948) (Fiduciary Duty), **App. B6**  
 Charles Lerner, Esq. SEC No-Action Letter, 1988 WL 235186, Fed. Sec. L. Rep. 78,871 (Oct. 25, 1988); § 28(e) of Securities Exchange Act of 1934, SEC No-Action Letter, 1990 WL 304860, Fed. Sec. L. Rep. 79,499 (July 25, 1990); Hoenig & Co., Inc., SEC No-Action Letter, 1990 WL 287014, Fed. Sec. L. Rep. 79,639 (Oct. 15, 1990) (Soft Dollars), **App. C11**  
 Release No. 23170, 35 SEC Docket 703, 1986 WL 630442 (Apr. 23, 1986), 51 FR 16,004 (SEC soft dollar guidance), **App. B7**  
 Release No. 54615 (July 18, 2006) (Soft Dollars), **App. B11**  
 Rule 13h-1, **App. A3**  
 Rule 15a-6, **App. A3**  
 Section 28(e), **App. A7**  
 Sections 13(d), 13(f), 13(g), 13(h) and 16, **App. A8**  
 Selected rules under 1934 Act, **App. A3**

**SECURITIES INDUSTRY ASSOCIATION**  
 Clover Capital no-action letter, interim relief, **2:79**  
 SEC No-Action Letter, 1989 WL 246550 (Nov. 27, 1989) (Performance Advertising), **App. C8**

**SECURITY**Defined, **1:7****SEPARATELY MANAGED ACCOUNTS**Advertising and other communications, **2:80**“Mini-accounts” wrap fee programs, **2:115**Wrap fee programs, **2:115****SERVICES TO U.S. CLIENTS BY FOREIGN ADVISERS**Unaio de Bancos de Barsileiros S.A., SEC No-Action Letter, 1992 WL 183054, Fed. Sec. L. Rep. 76,425 (July 28, 1992) (Foreign Advisers, Services to U.S. Clients), **App. C1****SETTLEMENTS****Class Actions** (this index)**SHARING INFORMATION AMONG REGULATORS**Inspections, **2:216****SHORT SALE**Monthly short sale reports, Section 13(f), **3:17.60****“SIDE-BY-SIDE” TRADING**Allocations and orders, **2:110.50****SMALL BUSINESS INVESTMENT COMPANIES**Federal investment limitations, **3:45**Registration of advisers, **1:37****SMALLER PRIVATE FUND ADVISERS**Form PF, **3:20, 4:3**Registration, **1:38, 1:39****SMC CAPITAL, INC.**SEC No-Action Letter, 1995 WL 529274, Fed. Sec. L. Rep. 77,049 (Sept. 5, 1995) (Allocation and Aggregation Procedures), **App. C13****“SOCIALLY DESIRABLE” INVESTMENTS**Care, standard of, **2:163****SOCIAL MEDIA**Generally, **2:91.50**Advertising and other communications, **2:91.50****SOFT DOLLARS**Arrangements. **Brokerage/Soft Dollar Arrangements** (this index)Charles Lerner, Esquire, SEC No-Action Letter, 1988 WL 235186, Fed. Sec. L. Rep. 78,871 (Oct. 25, 1988); Section 28(e) of Securities Exchange Act of 1934, SEC No-Action Letter, 1990 WL 304860, Fed. Sec. L. Rep. 79,499 (July 25, 1990); Hoenig & Co., Inc., SEC No-Action Letter, 1990 WL 287014, Fed. Sec. L. Rep. 79,639 (Oct. 15, 1990) (Soft Dollars), **App. C11****SOFT DOLLARS—Cont’d**ERISA Technical Bulletin 86-1 (May 22, 1986) (DOL Soft Dollar Statement), **App. C10**Exchange Act Release No. 23170, 35 SEC Docket 703, 1986 WL 630442 (Apr. 23, 1986), 51 FR 16,004 (SEC Soft Dollar Guidance), **App. B7****“SOLELY INCIDENTAL” BROKER-DEALERS**Registration exclusions, **1:20****SOLICITORS**Generally, **2:183 to 2:188**  
Common deficiencies, **2:189**Contracts and agreements, **2:187**Disclosure, **2:188**Fees, **2:189**Investment pools, **2:191**Non-cash referral fees, **2:189**Other applicable laws, **2:193**“Pay-to-play” restrictions, **2:190**Pools, investment, **2:191**Qualifications, **2:186**Recordkeeping requirements, **2:192**Referral fees, **2:189**Registered adviser, **2:185**Requirements of solicitation rule, **2:184 to 2:188**Rule 206(4)-3 (17 CFR § 275.206(4)-3), generally, **2:183**Rule 206(4)-5, **2:190**Statutory disqualification, solicitor not subject to, **2:186**Written agreement, **2:187****SOPHISTICATED CLIENTS**Performance fees, **2:17, 2:18****SPECIAL COMPENSATION**Broker-dealer, **1:21****SPECIAL INVESTMENT ACTIVITIES**Insider trading, **2:172, 2:174****SPINNING**

FINRA (this index)

**SSAE 18**Internal control reports, **2:170.50****STATE LAW**Care, standard of, **2:166**Performance fees, **2:19**

Registration (this index)

**STATEMENTS**Custody or possession of clients assets, periodic account statements, **2:52****STATE REGISTRATION**

Registration (this index)

**STATUTES**

ERISA (this index)  
Investment Advisers Act (this index)  
Securities Exchange Act (this index)  
Solicitors, **2:186**

**STOCK EXCHANGE**

Proxy voting, **2:155 to 2:157**

**SUB-ADVISERS**

Generally, **2:194**  
Form PF, **4:6**  
Investment companies, **2:195**

**SUCCESSOR ADVISERS**

Acquisitions, **2:198 to 2:201**

**SUCCESSOR REGISTRATION**

Generally, **1:64.50**  
SEC registration, **1:64.50**

**SUITABILITY**

Care, standard of, **2:162**  
Obligation, **2:162**

**SUPERVISE, DUTY TO**

Duty to supervise, **2:169**  
Personal liability of in-house and compliance professionals, **2:170.30**  
Required compliance policies and procedures, **2:170**  
Section 203(e)(6), **2:169, 2:170**

**SUPPLEMENTS**

Brochure supplement questionnaire, **App. E6**

**SUSTAINABLE INVESTING**

Challenges and ambiguities, **2:158.40**

**“SWEEP” INSPECTIONS**

Generally, **2:212**

**SYNDICATE SOFT DOLLARS**

Generally, **2:140**

**TEACHERS**

Registration exclusions from definition of investment adviser, **1:18**

**TECHNICAL BULLETIN**

ERISA Technical Bulletin 86-1 (May 22, 1986)  
(DOL Soft Dollar Statement), **App. C10**

**TENDER SHARES**

Proxy voting, **2:154**

**TEN-PERCENT BENEFICIAL OWNERS,  
GREATER THAN**

Section 16, **3:27 to 3:33**

**TESTS**

“Assets under management” test, **1:39**

**TESTS—Cont’d**

Beneficial ownership test, Section 16, **3:30 to 3:32**

First beneficial ownership test, Section 16, **3:31**  
Second beneficial ownership test, Section 16, **3:32**

**THIRD-PARTY RESEARCH**

Brokerage/soft dollar arrangements, **2:132**

**TRADING PROCESS**

Generally, **2:92 to 2:108**  
Affiliated broker, use of, **2:96, 2:100 to 2:102**  
Broker, **2:96, 2:100 to 2:102**  
Cross transactions and cross trading, **2:94, 2:95, 2:100 to 2:102**

ERISA, **2:100 to 2:102**

Executing broker-dealer, obligations on, **2:105**

Exemption for impersonal services, Rule 206(3)-1 (17 CFR § 275.206(3)-1), **2:99**

FINRA Rules

Outside employment, Rule 3270, **2:108**  
Private securities transactions, Rule 3280, **2:107**

Impersonal services, exemption for, Rule 206(3)-1 (17 CFR § 275.206(3)-1), **2:99**

Individual opening account, obligations on, **2:105**  
Outside employment, Rule 3270 of FINRA Rules, **2:108**

Principal transactions, **2:97**

Private securities transactions, Rule 3280 of FINRA Rules, **2:107**

Registered representatives, advisory activities of Generally, **2:103 to 2:108**

Executing broker-dealer, obligations on, **2:105**

Individual opening account, obligations on, **2:106**  
Opening accounts with, or trading through, another broker-dealer, Rule 3210 of FINRA Rules, **2:104 to 2:106**

Outside employment, Rule 3270 of FINRA Rules, **2:108**

Private securities transactions, Rule 3280 of FINRA Rules, **2:107**

Rule 206(3)-1, **2:99**

Rule 206(3)-2, **2:94**

Rule 3270 of FINRA Rules, **2:108**

Rule 3280 of FINRA Rules, **2:107**

**TREASURY DEPARTMENT**

Reports and reporting, **3:34 to 3:36**

**TRUSTEES**

Reports and reporting, **3:33**

**UNAIO DE BANCOS DE BARSILEIROS S.A.**

Foreign advisers, services to U.S. clients, SEC No-Action Letter, 1992 WL 183054, Fed.

**UNAO DE BANCOS DE BARSILEIROS S.A.**

—**Cont'd**

Sec. L. Rep. 76,425 (July 28, 1992), **App.**  
**C1**

**U.S. GOVERNMENT SECURITIES**

Registration exclusions from definition of investment adviser, **1:25**

**VENTURE CAPITAL FUND ADVISERS**

Registration exemption, **1:35**

**VOTES AND VOTING**

**Proxy Voting** (this index)

**WEALTHY CLIENT EXCEPTION**

Advertising and other communications, **2:77**

**WEBSITES**

Electronic communications, **2:90**  
Registration, Section 202(a)(11) definition of investment adviser, **1:14.60**  
Status as advertisements, **2:90**

**WITHDRAWAL FORM**

**Form ADV-W (Withdrawal Form)** (this index)

**WRAP FEE PROGRAMS**

Generally, **2:28, 2:114**  
Disclosure, **2:39, 2:118**  
“Dual contract” programs, **2:115**  
Separately managed accounts, **2:115**  
Trading, **2:117**

**WRITTEN AGREEMENT**

Solicitors, **2:187**