

MEMORANDUM

To: Arkansas “Registered” Investment Advisers

From: Tom Bull, Investment Adviser Supervisor

Re: Year 2007 Renewal Procedures

Date: October 25, 2006

FIRM RENEWAL PROCEDURE: The renewal fee for state registered investment advisers is \$300 per firm. If you have funded your firm’s renewal account, the 2007 renewal fee will be automatically forwarded to our Department by the IARD system. If you have not funded your firm’s renewal account, you will have to pay the renewal fee directly to this Department.

REPRESENTATIVE RENEWAL PROCEDURE: The IARD system will automatically forward the 2007 renewal fees for registered representatives that have Arkansas registrations in the CRD System. If you have not properly funded your renewal account, the representative renewal fees will have to be paid directly to this Department. The renewal fee for registered representatives is \$75 per person.

FINANCIAL STATEMENTS: Every registered investment adviser must file with the Commissioner financial statements no later than ninety (90) days after the close of their fiscal year. Investment advisers that neither maintain customer funds or securities nor require the prepayment of more than \$500 in fees per client and more than six (6) months in advance may submit an “**unaudited**” statement of financial condition. This financial statement must be “**certified as true and accurate**” by the chief financial officer or the person executing the Form ADV.