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NDBF Guidance for Investment Advisers, Broker-Dealers, Investment Adviser Representatives, and Agents

March 23, 2020 (LINCOLN, NEB.) — On March 13, 2020, Pete Ricketts, Governor of the State of Nebraska, declared a state of emergency within Nebraska as a result of the Coronavirus (COVID-19) pandemic. On March 16, 2020, the Governor limited public events and gatherings to ten (10) people or less statewide.

In order to assist the securities industry in responding to the COVID-19 outbreak and corresponding government, or business entity, instituted health quarantines, the Nebraska Department of Banking and Finance (NDBF) issues this Guidance.

Agency Operations

The Mission of NDBF is to protect and maintain the public confidence in the financial services industries in Nebraska. NDBF is committed to maintaining all critical functions to fulfill its supervisory mandate. NDBF wishes to assure the securities industry that NDBF, including the Securities Bureau, remains operational and continues to carry out its mission and vision. During this time, the Securities Bureau will be utilizing electronic communication in lieu of paper correspondence. We encourage the industry to continue to engage with us and we will provide operational updates as necessary.

Registration Filings

NDBF has issued [Emergency Order Granting Temporary Relief to Registrants Affected by the COVID-19 Outbreak](#).

Additionally, the SEC and FINRA have issued the following guidance and relief:

- [SEC Order for Relief Related to Investment Advisers Act](#)
- [FINRA Regulatory Notice 20-08 Pandemic-Related Business Continuity Planning, Guidance and Regulatory Relief](#)
- [FINRA update to its FAQs to grant temporary relief for member firms from the requirement to collect manual \(wet\) signatures on an initial or transfer Form U4](#)

State securities regulators, the SEC, and FINRA have also deployed COVID-19 webpages to provide additional information and updates to their stakeholders:

- <https://www.nasaa.org/industry-resources/covid-19-updates/>
- <https://www.finra.org/rules-guidance/key-topics/covid-19>
- <https://www.sec.gov/sec-coronavirus-covid-19-response>

Citizenship Verification

Unless otherwise exempted from verification or pursuant to federal law, NDBF is required to verify the immigration status of all individuals registering with the Department as agents and/or investment adviser representatives.

Due to automated processes, firms that have persons who require verification will continue to receive notifications regarding the requirement to submit information; however, NDBF will be granting an additional 30 days to collect and submit required documentation until the state of emergency has been lifted. Please contact NDBF at DOB.403@nebraska.gov with any questions.

Examinations

For the protection of firms and NDBF staff, NDBF is suspending any “on-site” portions of broker-dealer or investment adviser exams until the state of emergency has been lifted. Securities examiners will contact firms directly to make appropriate arrangements for the submission of documents and conducting interviews. Firms concerned about timely submission of examination documents should notify the securities examiner conducting the exam to make appropriate arrangements.

Business Continuity Plans

State-registered investment advisers are required under [48 NAC 7.013](#) to establish, implement, and maintain written procedures relating to a business continuity and succession plan. Investment advisers are encouraged to review their business continuity plan and consider their pandemic preparedness.

NDBF has previously conducted a Business Continuity & Succession Planning webinar for investment advisers to provide guidance on the requirements of 48 NAC 7.013 and establishing a business continuity plan. NDBF is reissuing the slides from the webinar to assist investment advisers in assessing their business continuity plan. Access to the slides is available at <https://ndbf.nebraska.gov/about/covid-19-consumer-and-industry-guidance>.

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