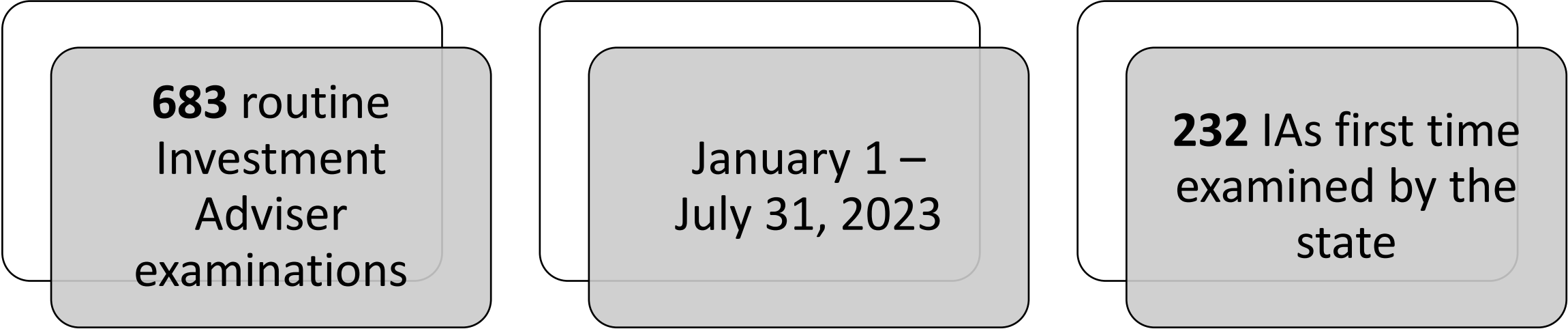


2023
Investment
Adviser
Coordinated
Exams



NASAA

NORTH AMERICAN SECURITIES ADMINISTRATORS ASSOCIATION



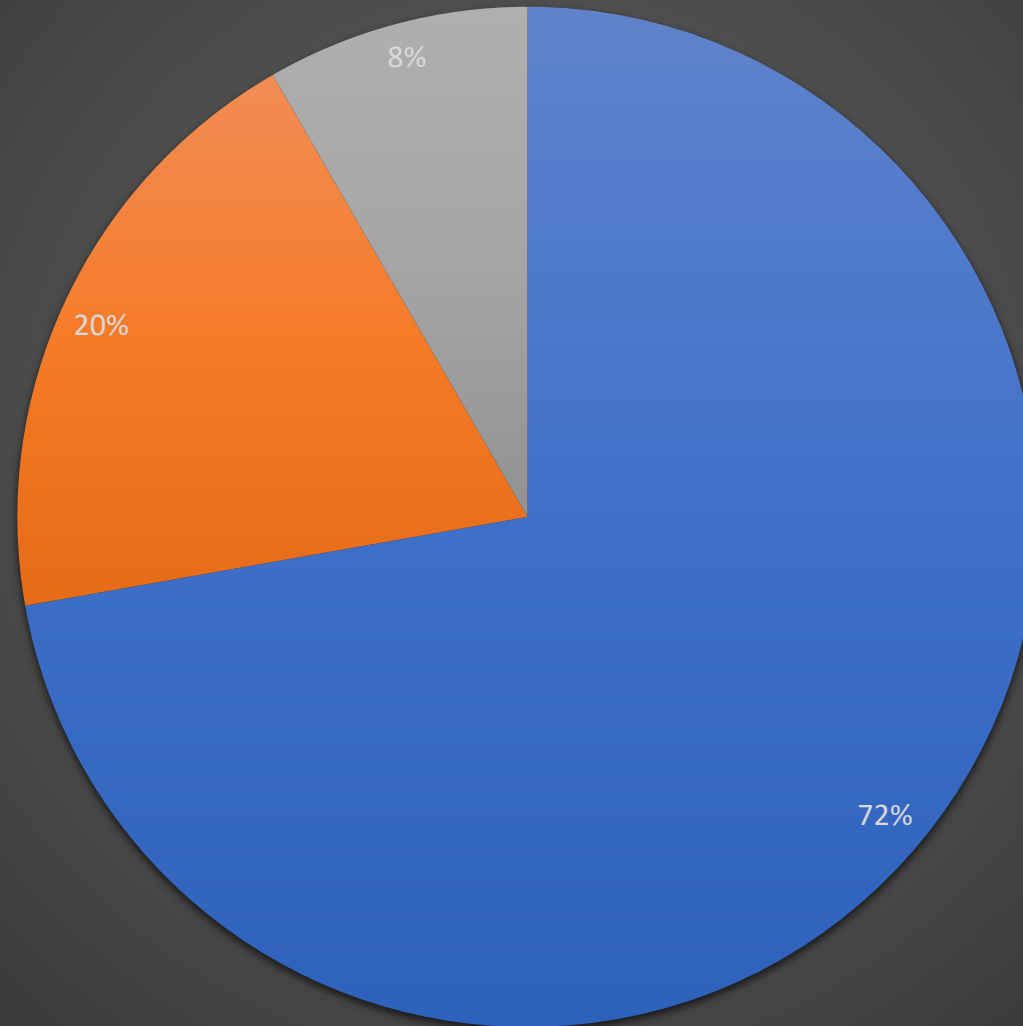
683 routine
Investment
Adviser
examinations

January 1 –
July 31, 2023

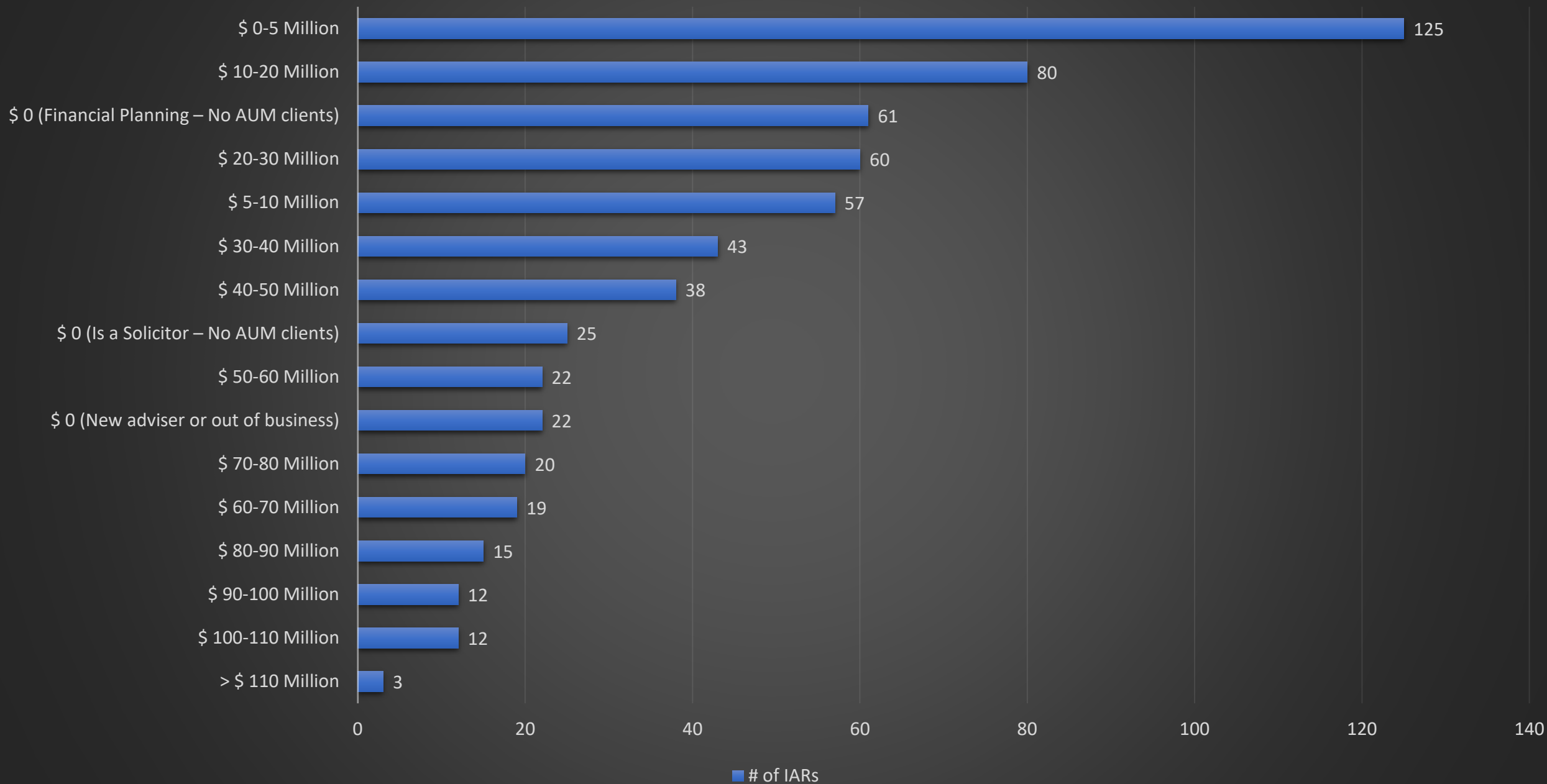
232 IAs first time
examined by the
state

Number of IARs per IA

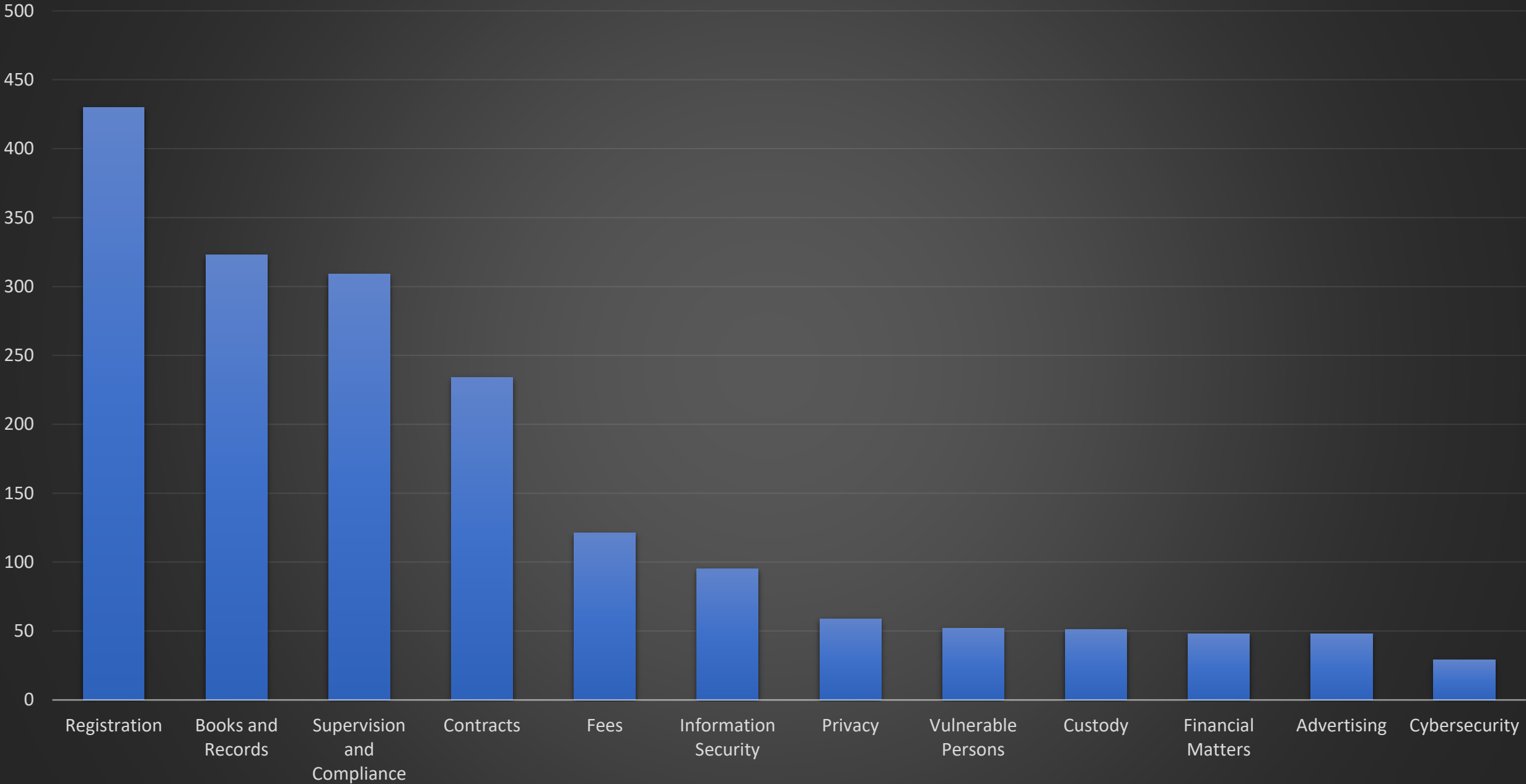
■ 1 ■ 2 ■ 3 or more



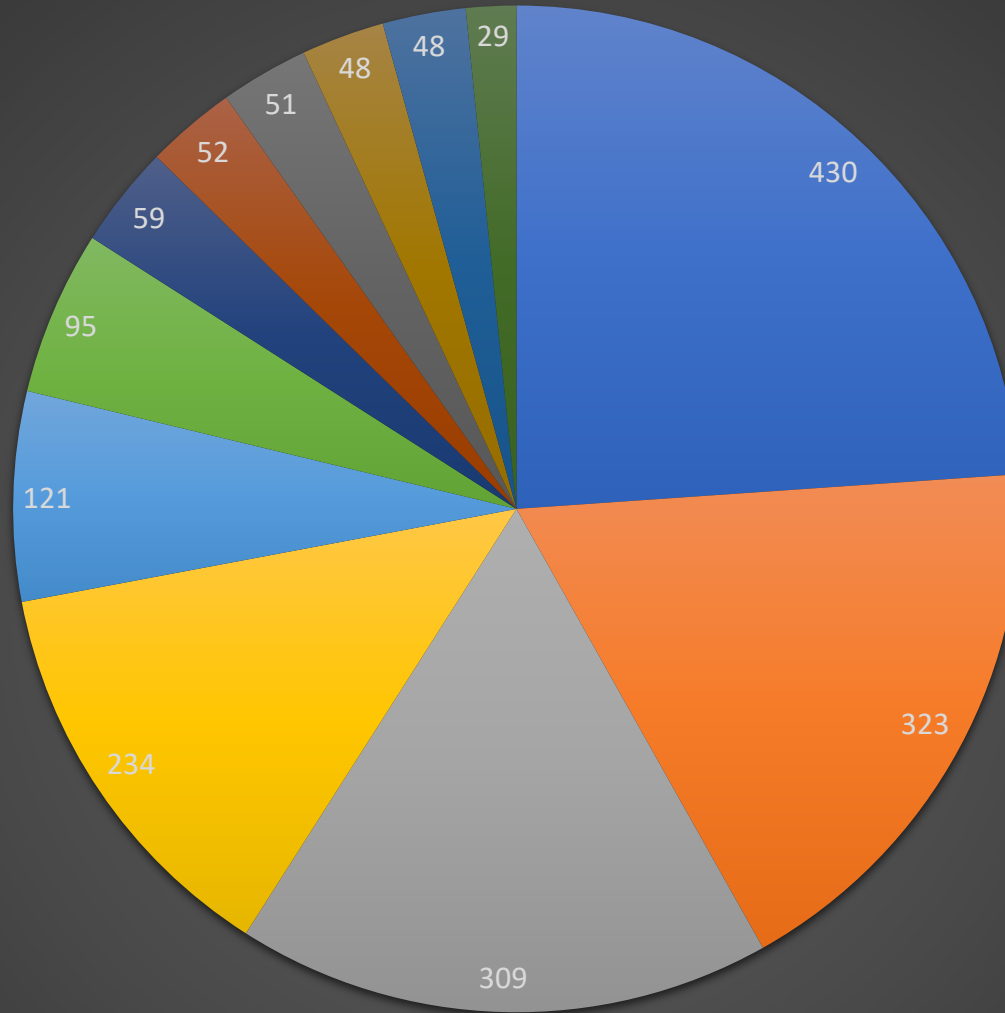
of IAs by AUM



of Violations Found



of Violations Found



Registration

Books and Records

Supervision and Compliance

Contracts

Fees

Information Security

Privacy

Vulnerable Persons

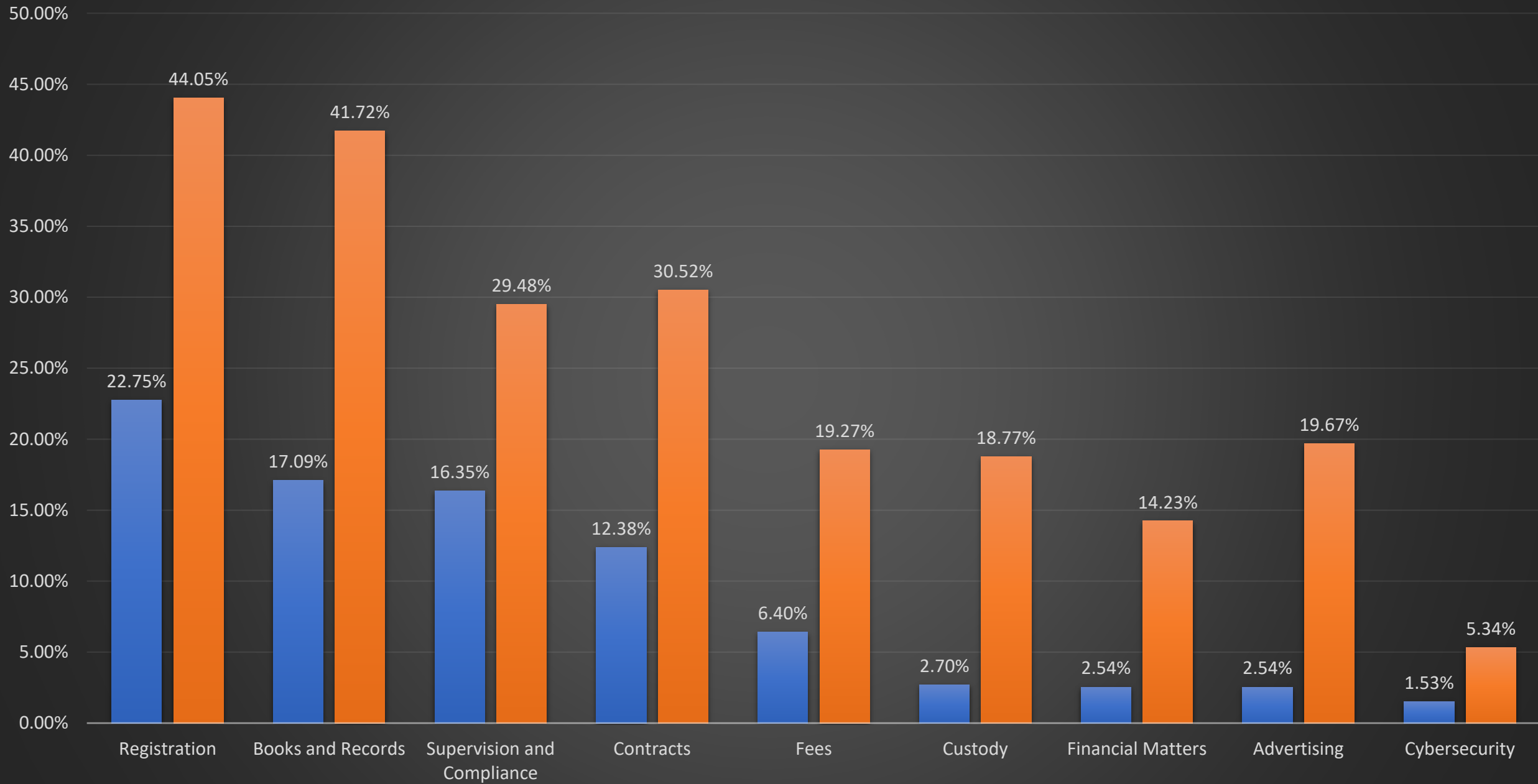
Custody

Financial Matters

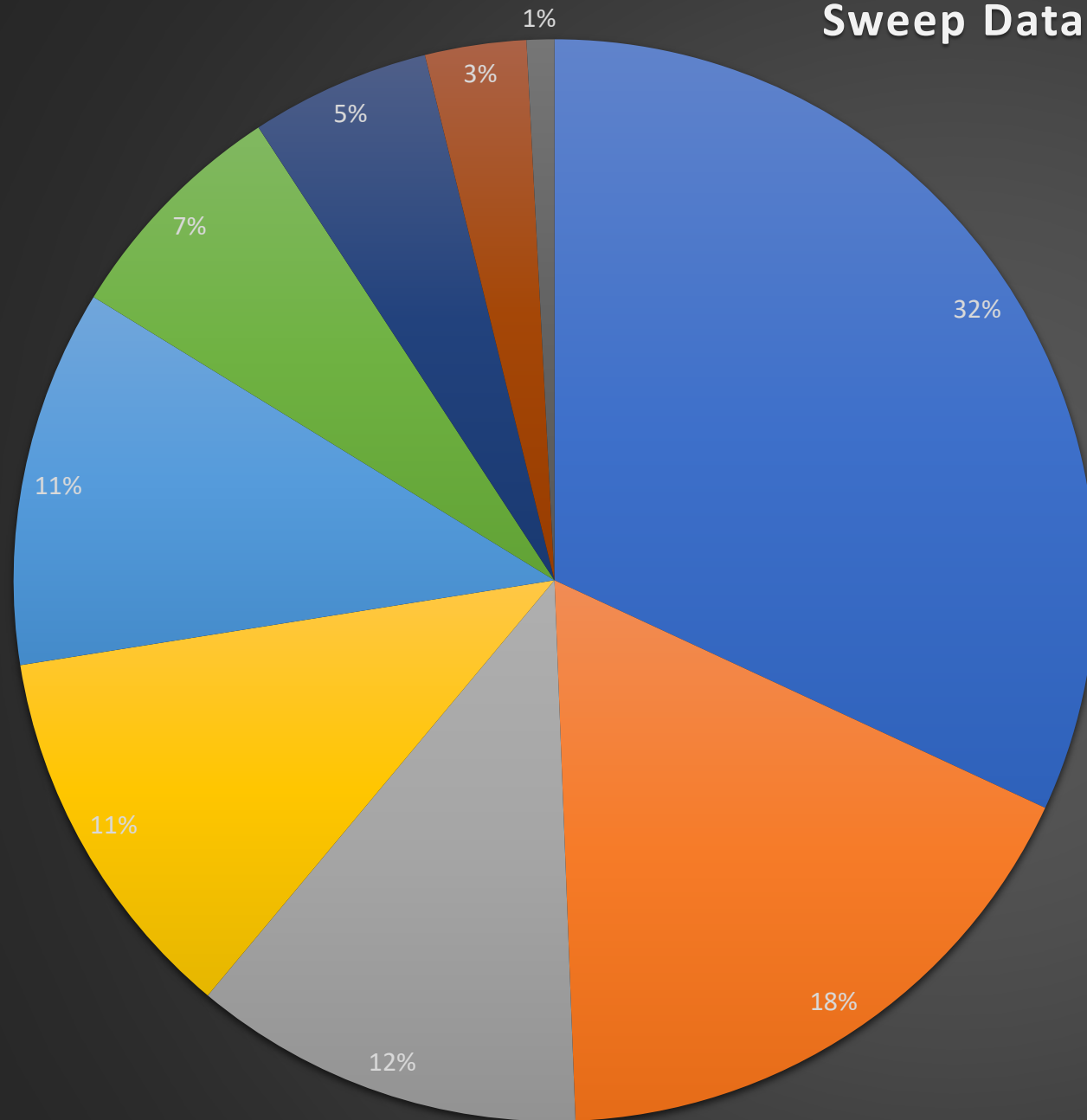
Advertising

Cybersecurity

2023 vs. 2021

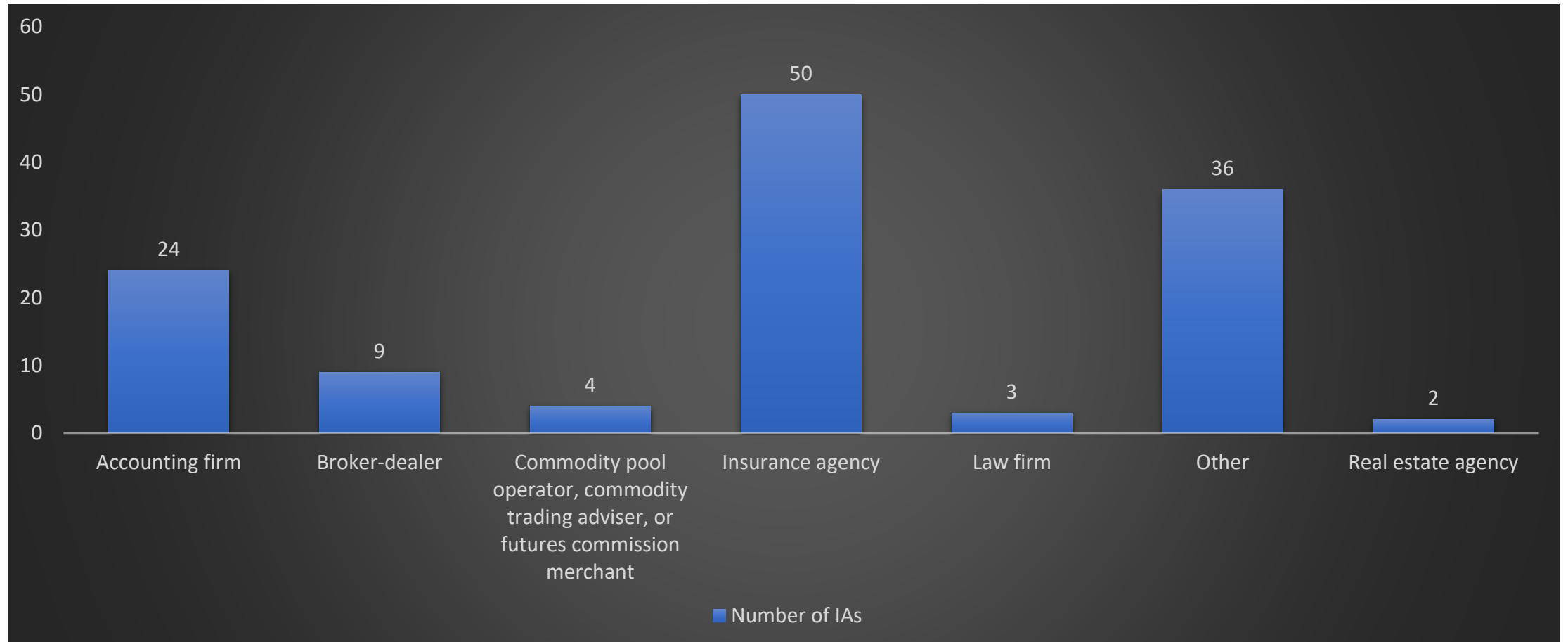


Sweep Data

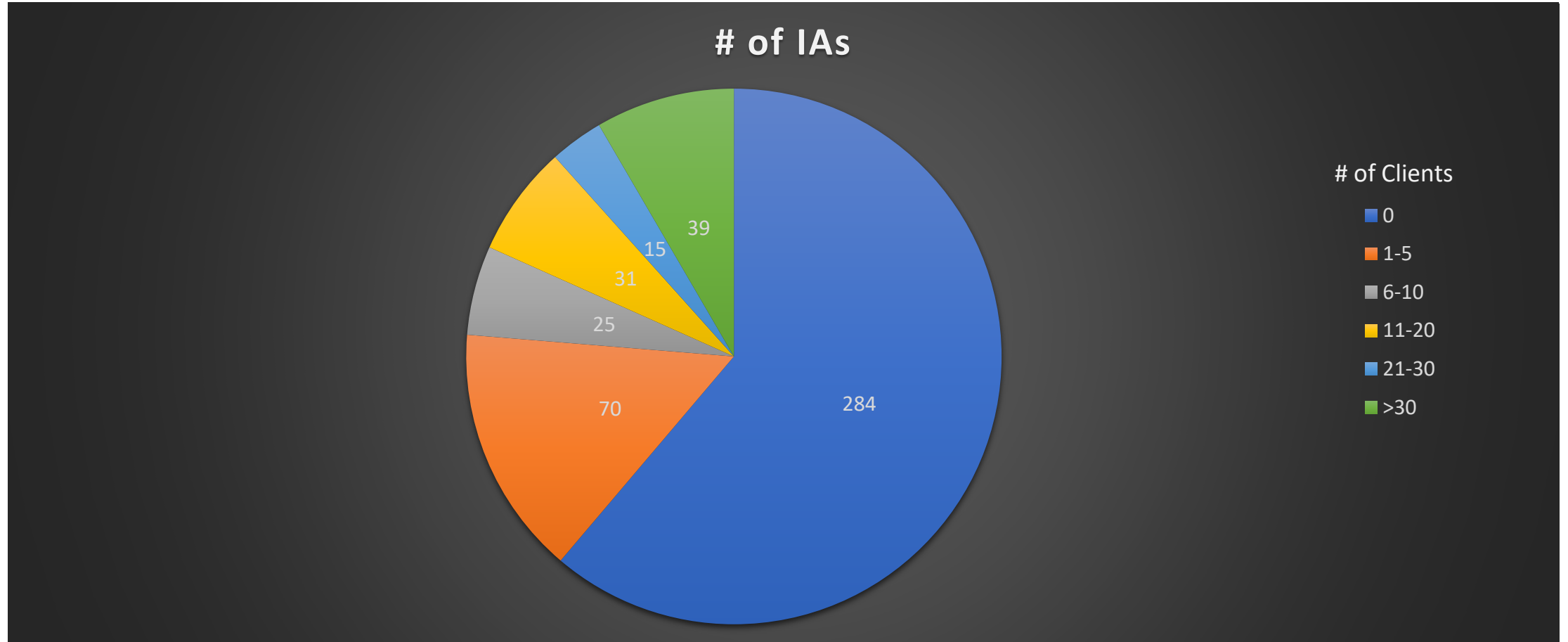


- This is the 1st state exam of this adviser
- Last state exam was between 2-3 years ago
- This is a "desk" exam
- Last state exam was between 3-4 years ago
- Last state exam was between 4-5 years ago
- Adviser is registered in more than one state
- Last state exam was over 5 years ago
- Last state exam was between 1-2 years ago
- Other

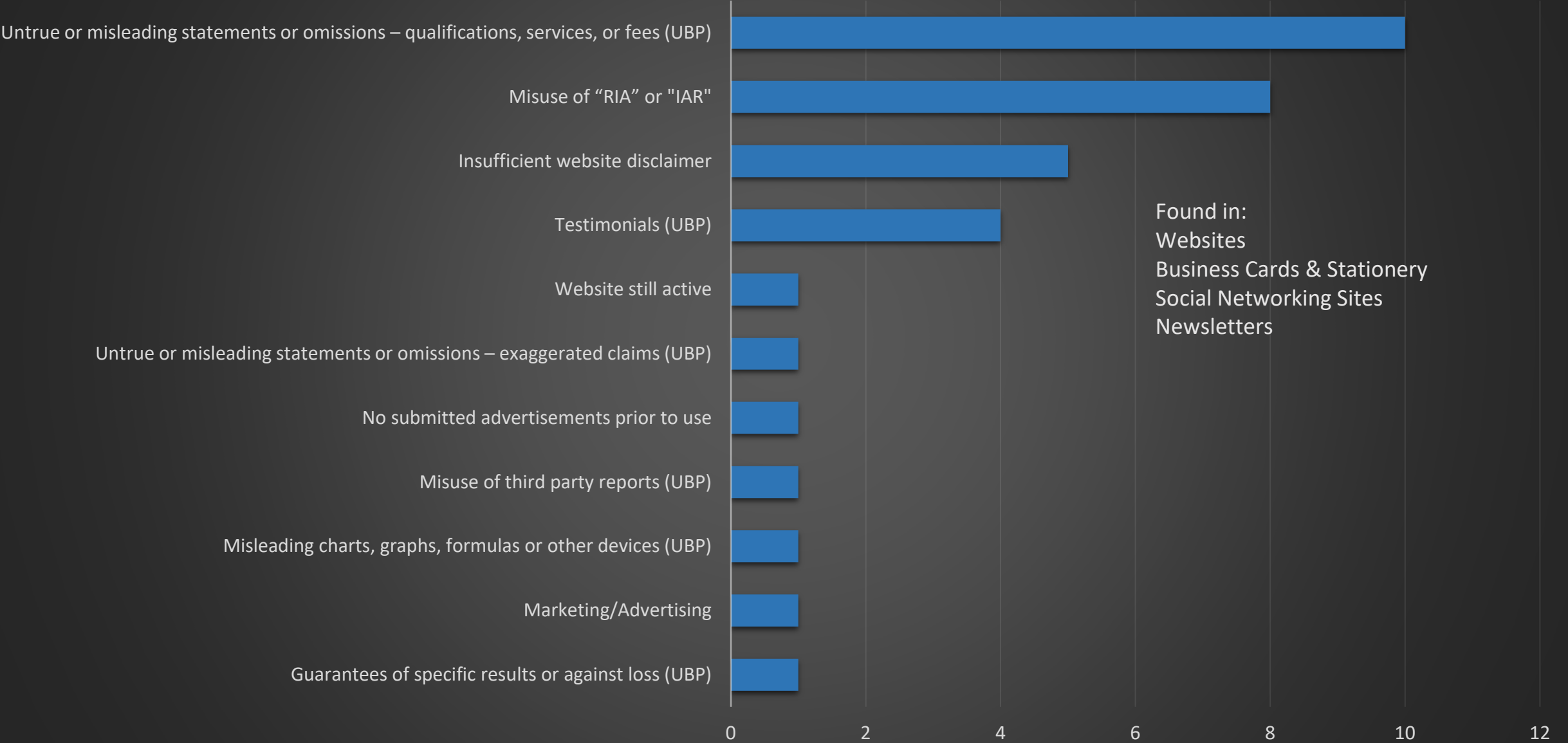
Other Types of Business IA Engages In



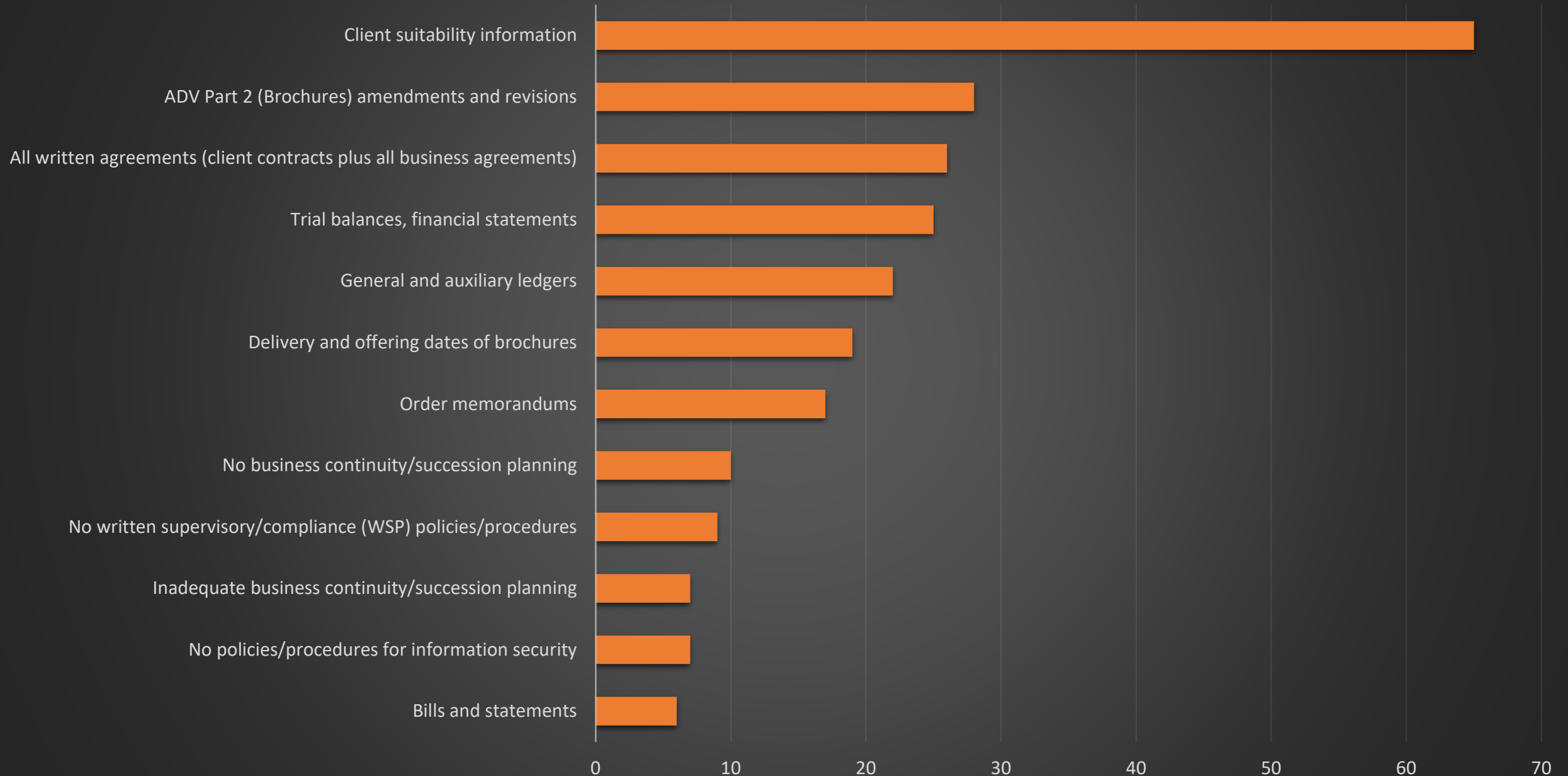
Advisers Offering Financial Planning Services



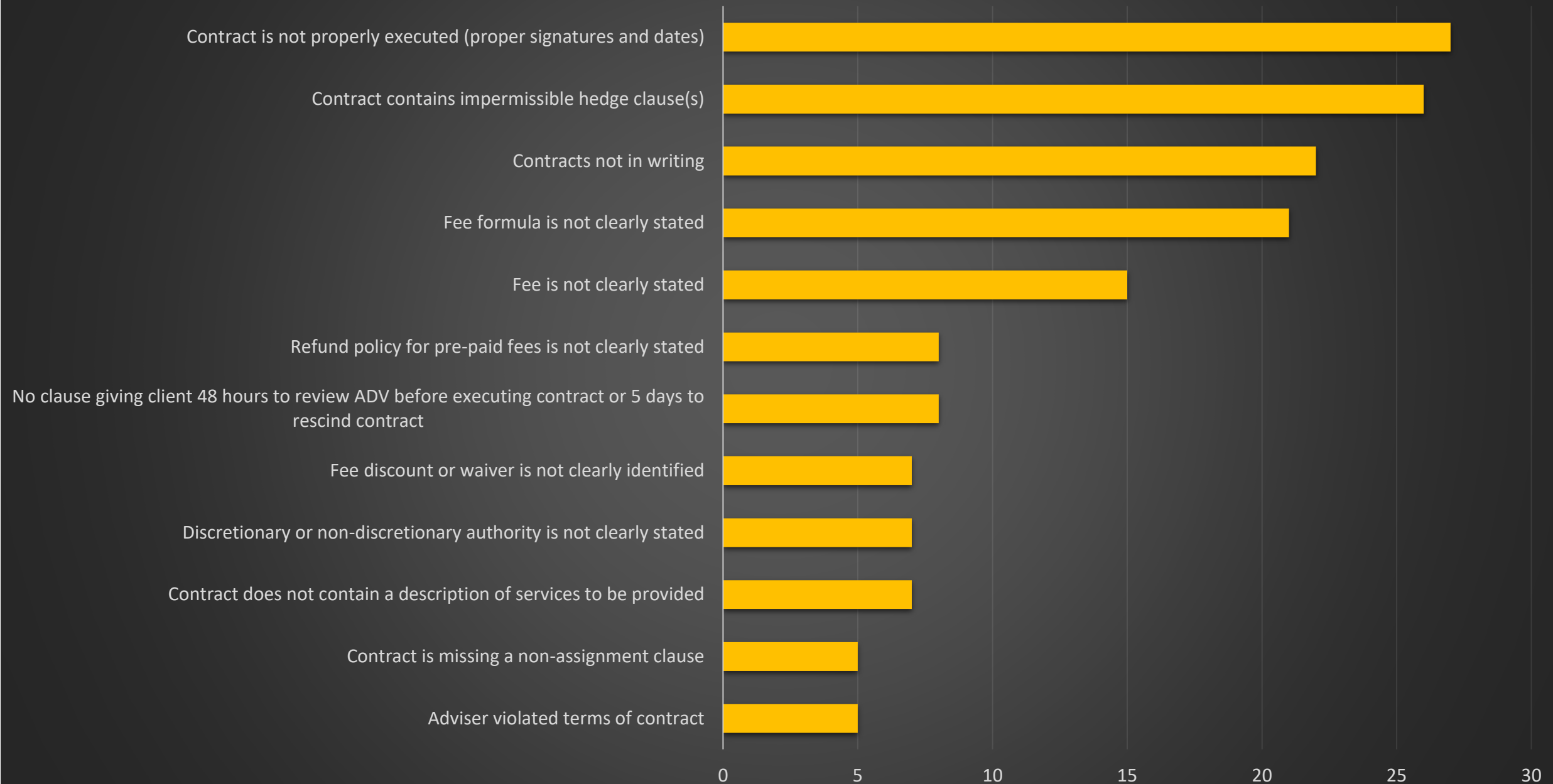
Advertising Violations



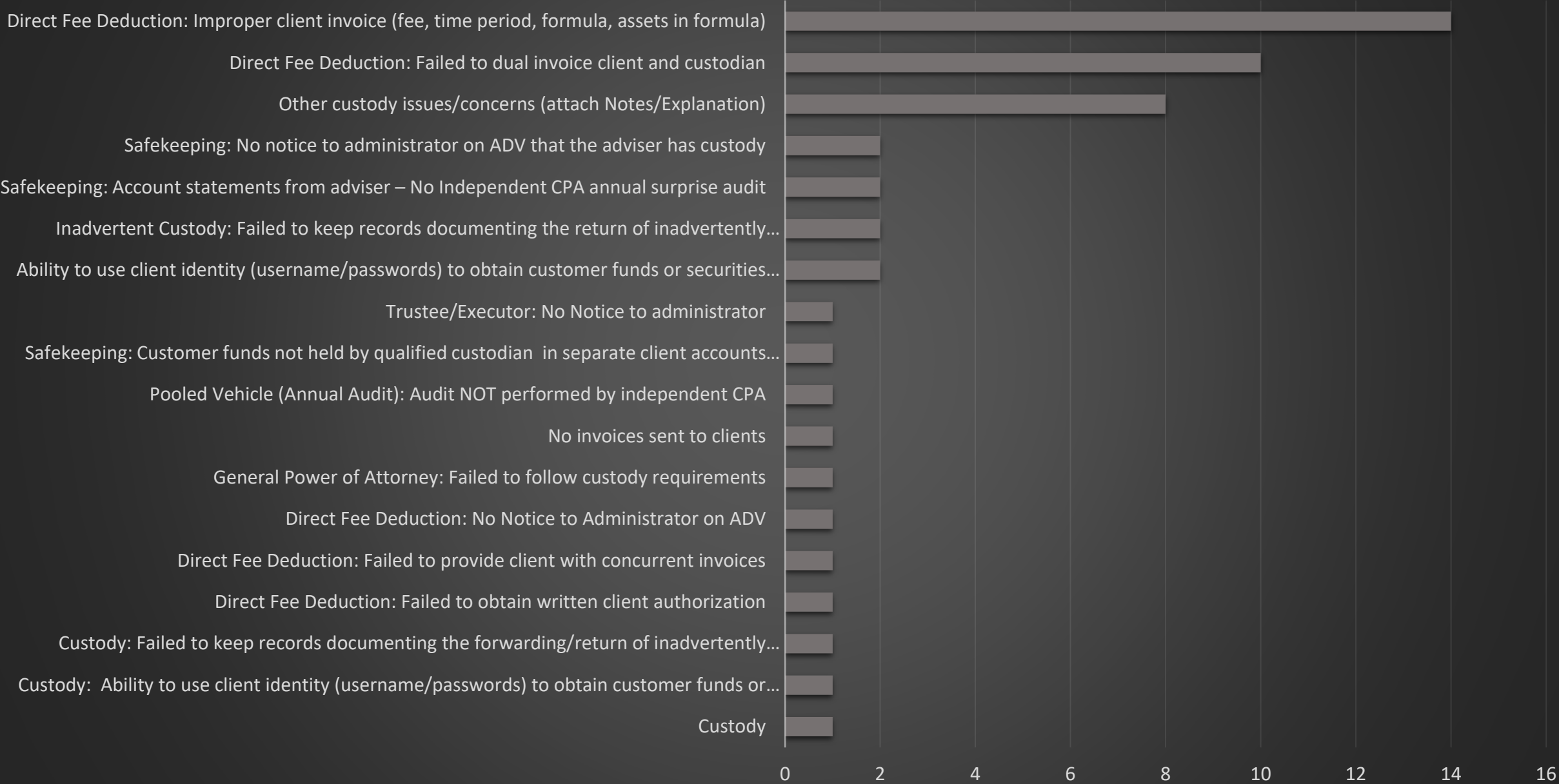
Books & Records Violations



Contract Violations



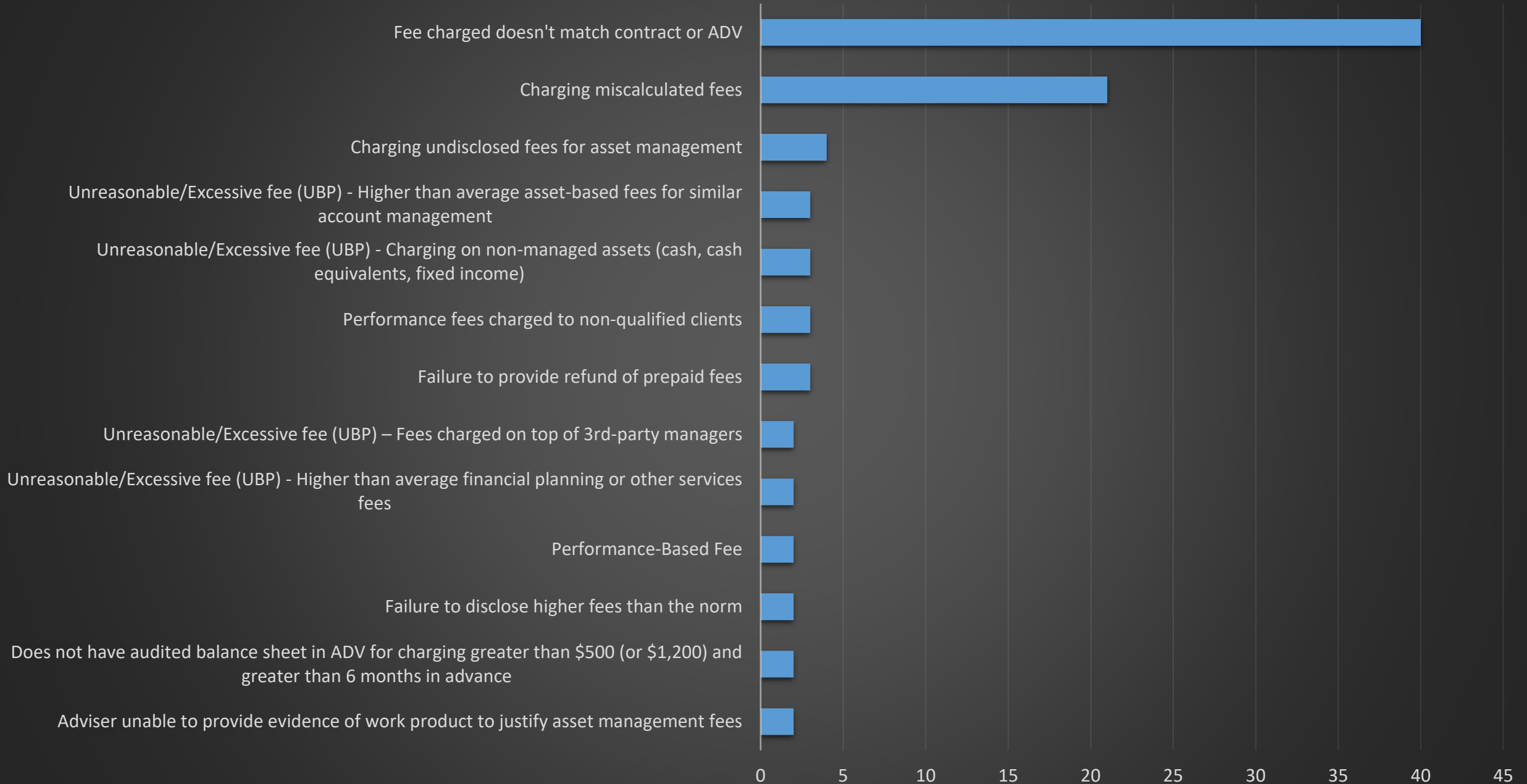
Custody Violations



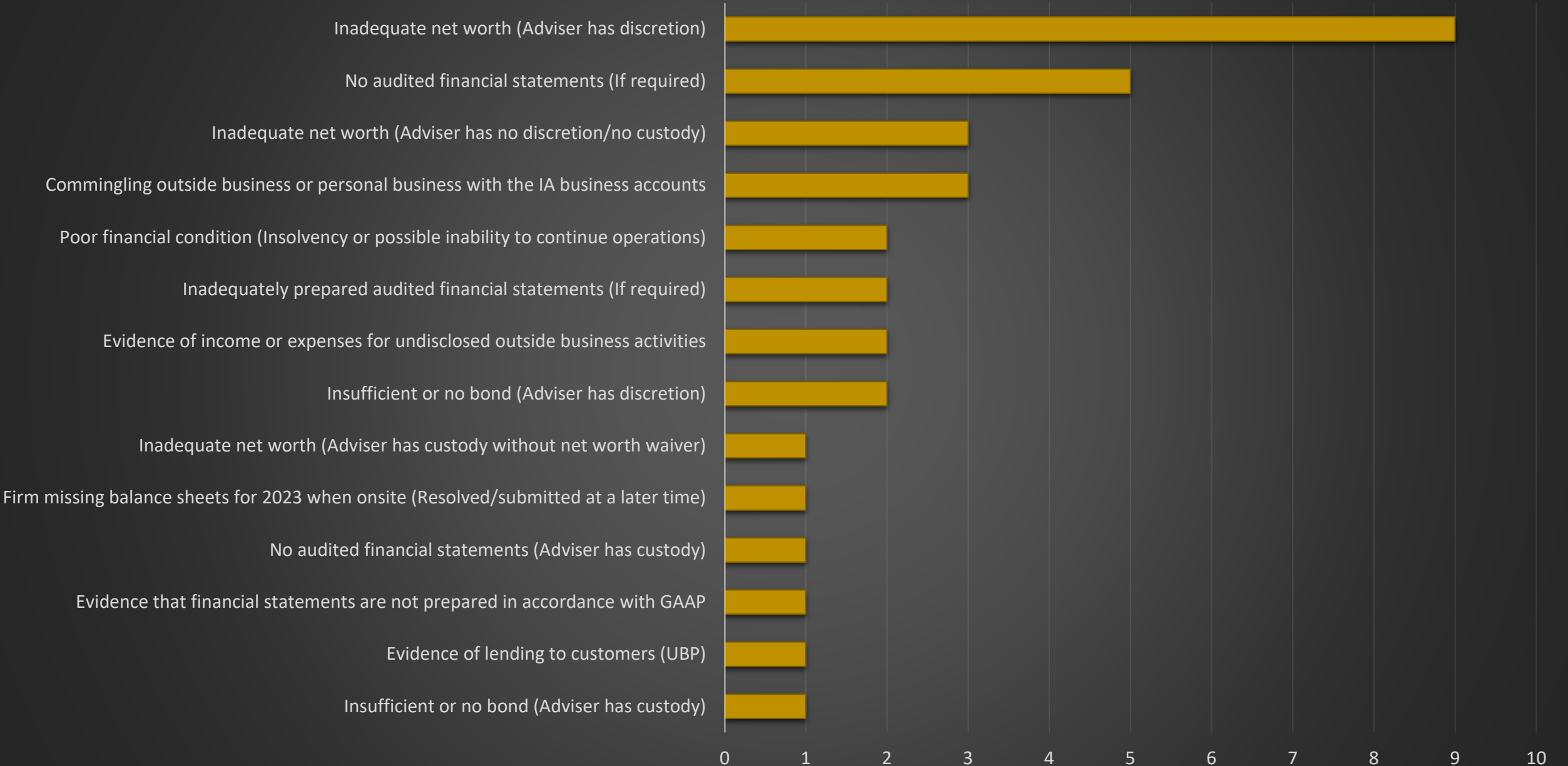
Cybersecurity Violations



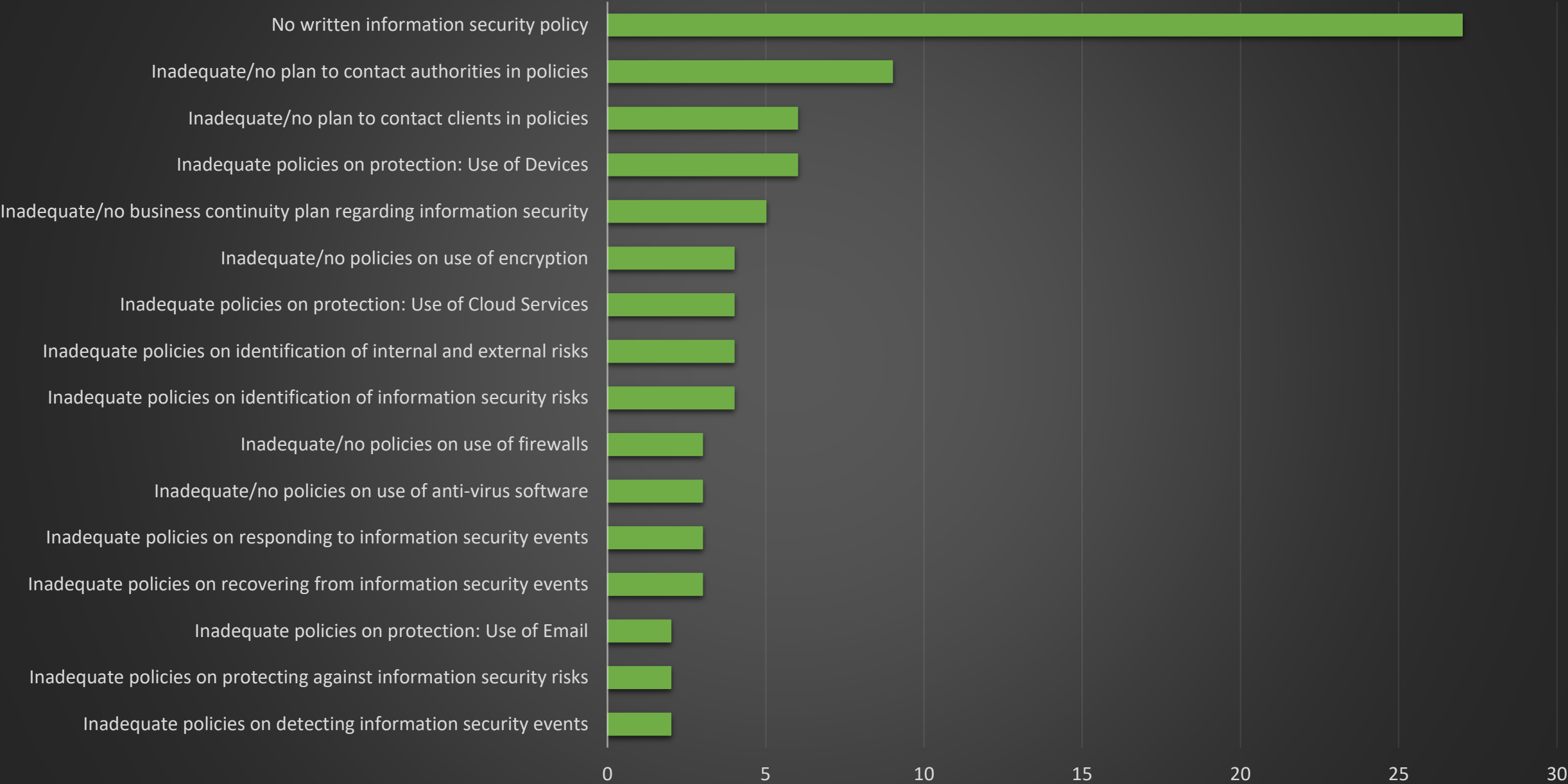
Fee Violations



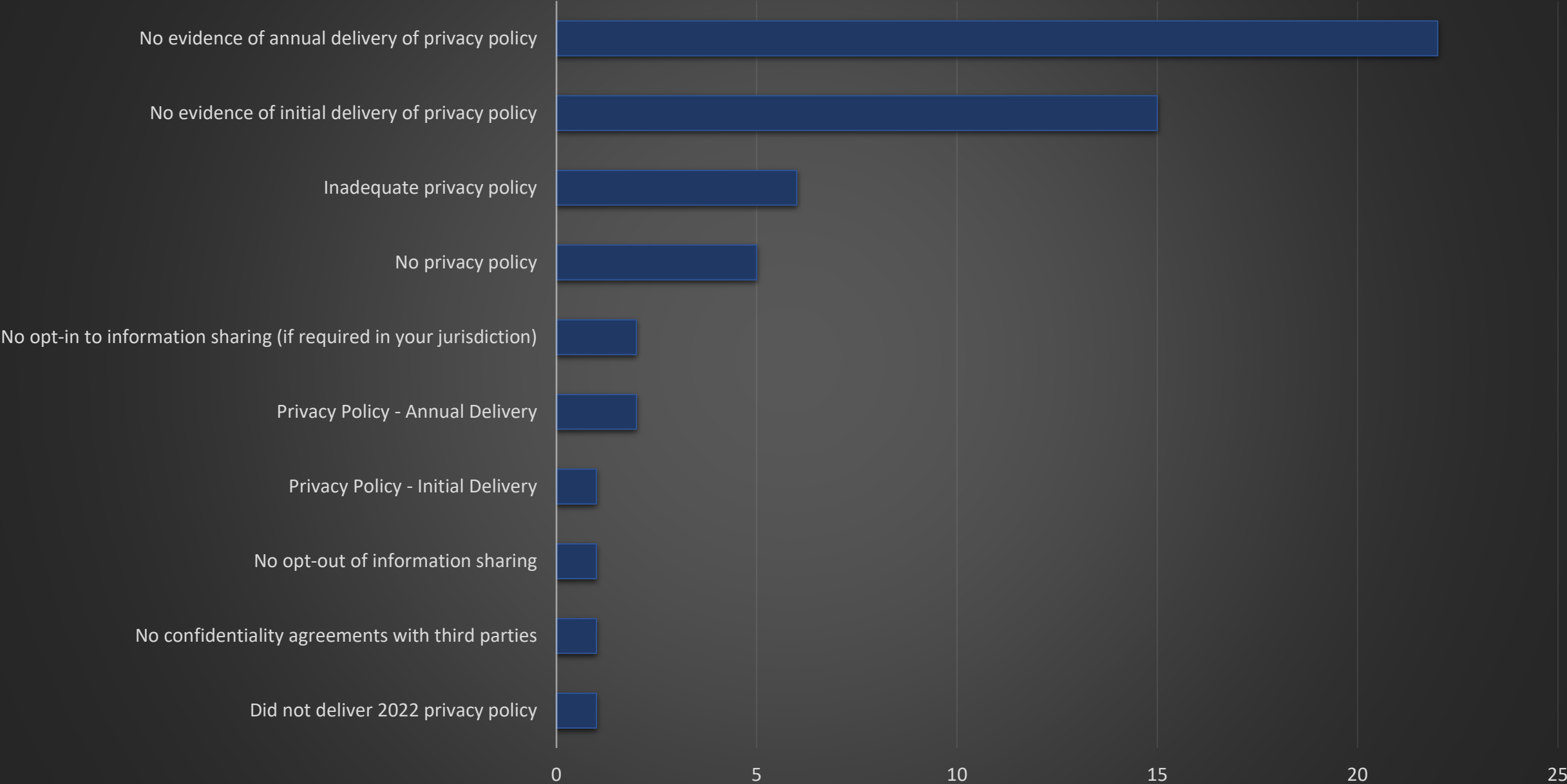
Financial Matters Violations



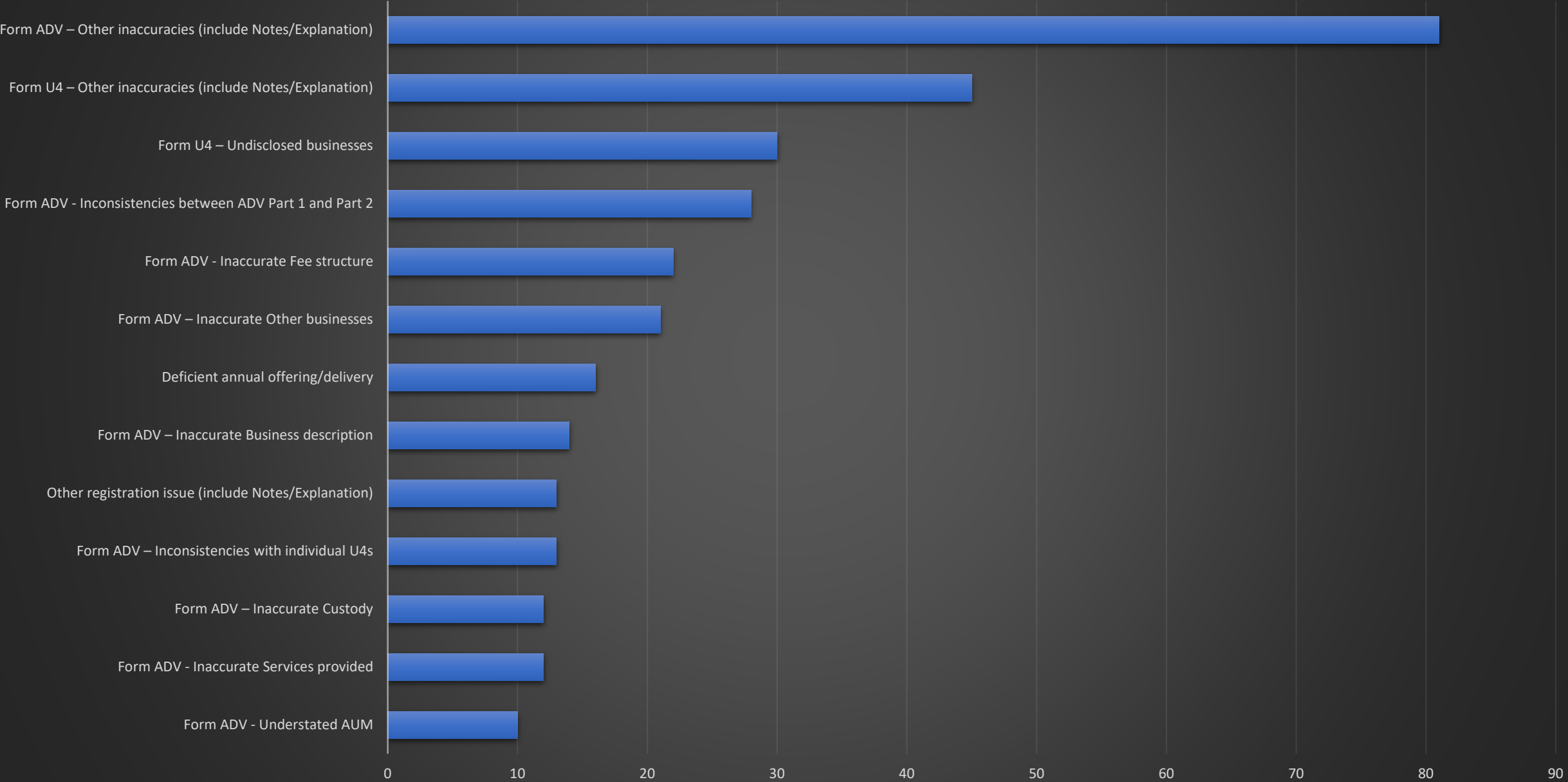
Information Security Violations



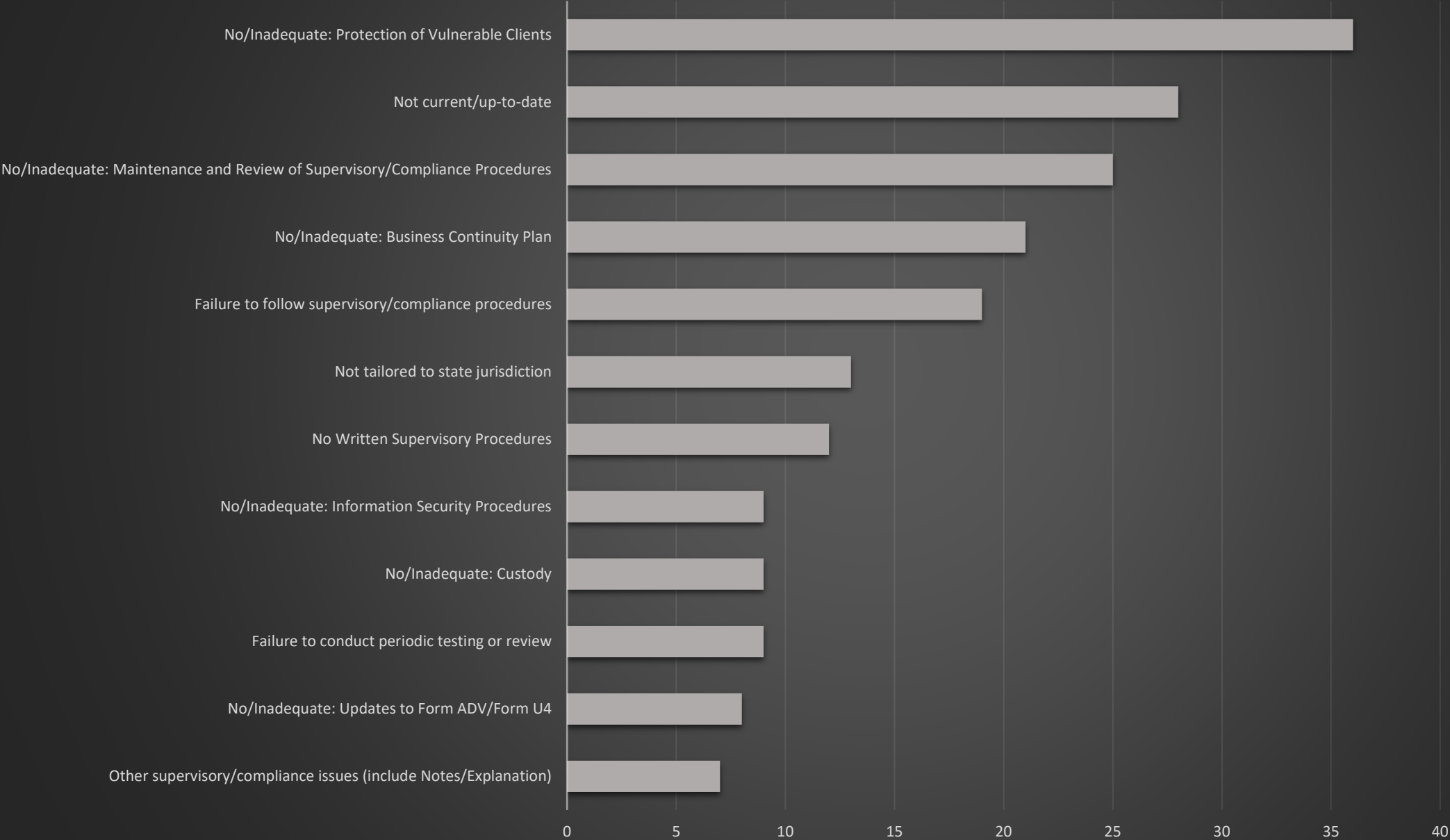
Privacy Violations



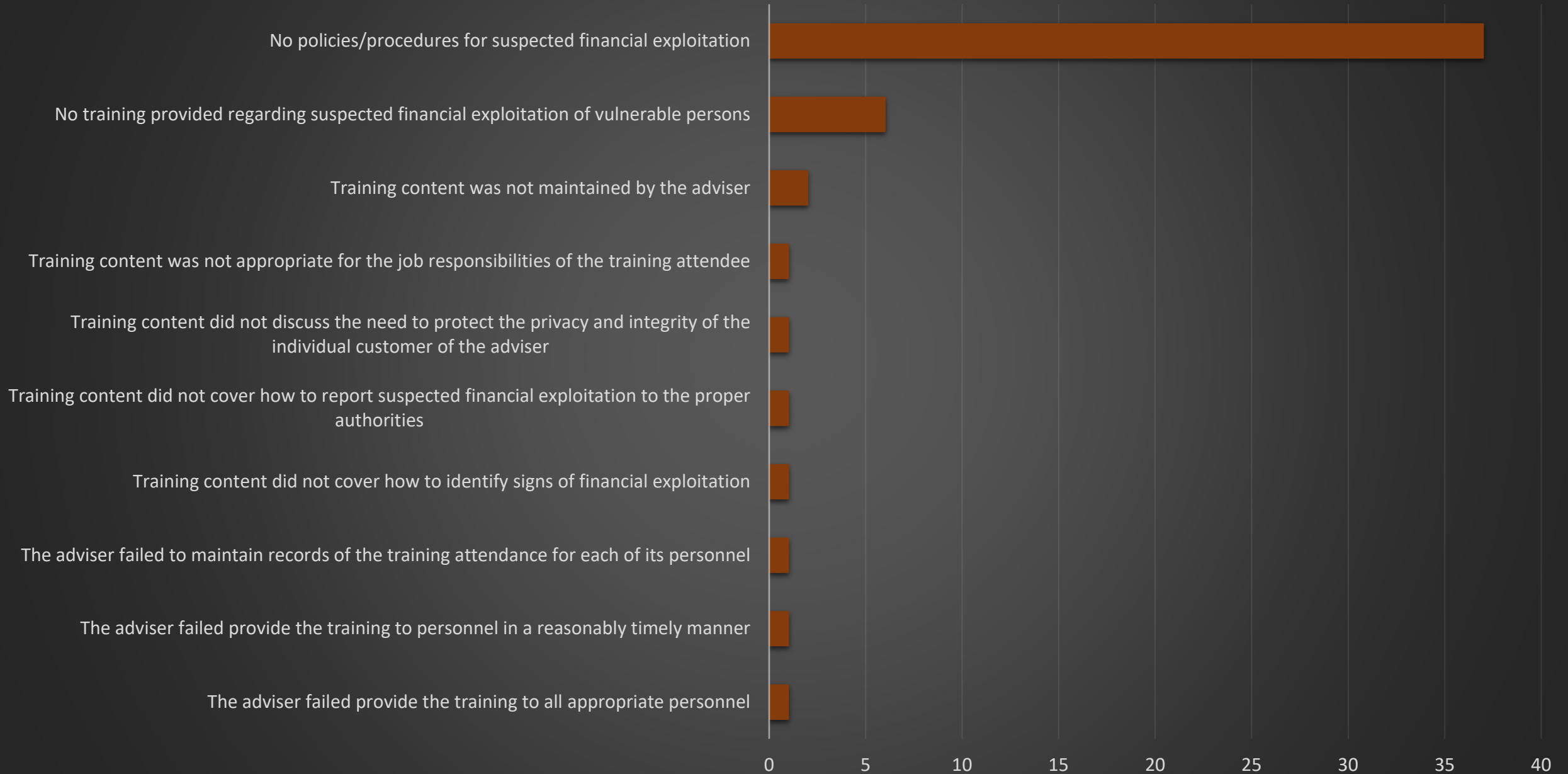
Registration Violations



Supervision & Compliance Violations



Vulnerable Persons Violations



Recommendations to Investment Advisers

- Review and revise Form ADV and disclosure brochure annually to reflect current and accurate information.
- Review and update all contracts. Be aware of e-communications hedge clauses.
- Prepare and maintain all required records, including financial records. Back-up electronic data and protect records. Document checks forwarded.
- Prepare and maintain client profiles or other client suitability information. Maintain due diligence file for recommended products or strategy.
- Prepare a written compliance and supervisory procedures manual relevant to the type of business to include business continuity plan and information security policies/procedures. 1) Policy; 2) Who; 3) Does what; 4) How often; 5) How evidenced