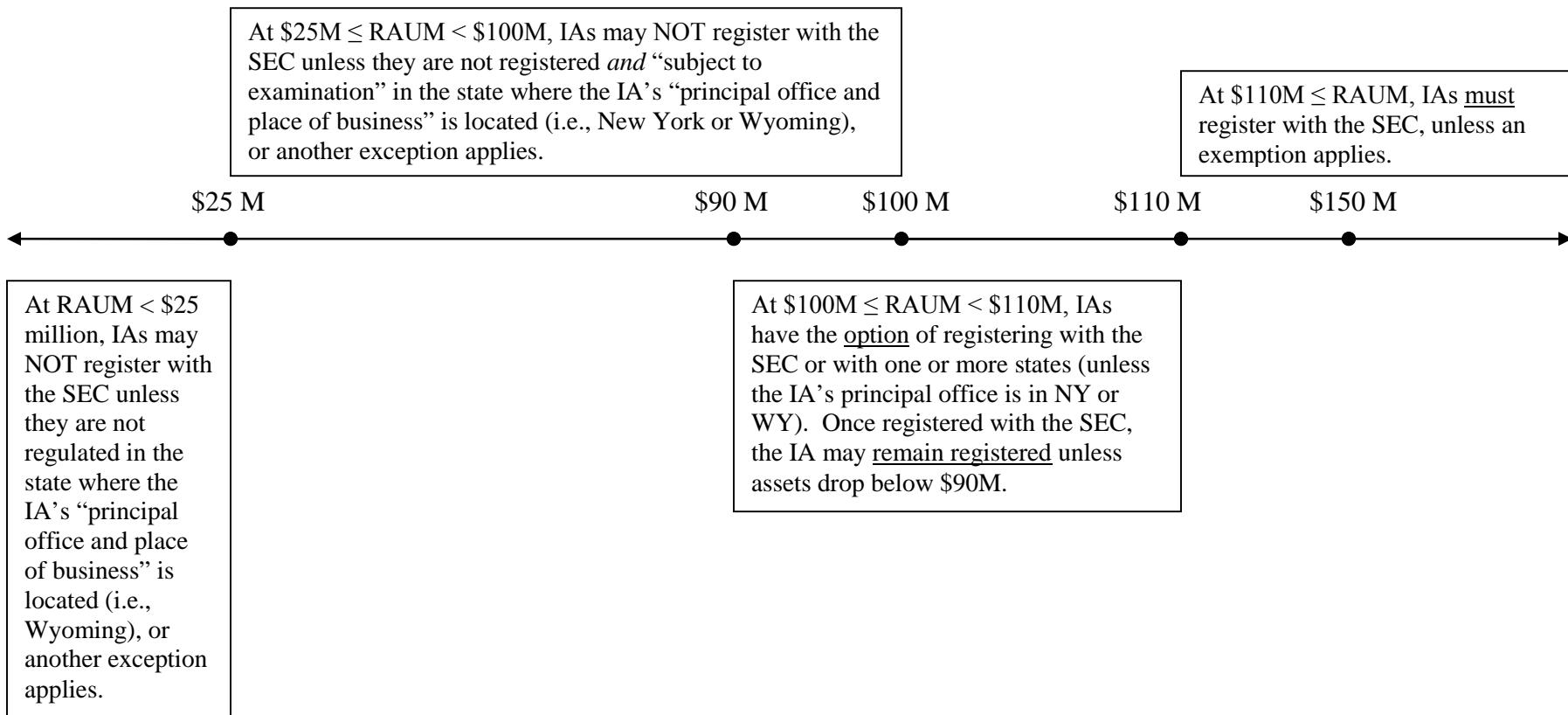


SEC vs. State Registration for Investment Advisers (“IAs”) Based on Level of Regulatory Assets Under Management (“RAUM”)

At RAUM < \$150M, an IA may qualify for the private fund adviser exemption (an IA whose principal office and place of business is outside the US may also qualify even at higher RAUM amounts) and file with the SEC as an “exempt reporting adviser.” However, these IAs may also be required to register in one or more states.



An IA whose principal office and place of business is outside the US is permitted, but not necessarily required, to register with the SEC regardless of amount of RAUM.

This chart is intended only to help familiarize readers with the broad scope of the divide between SEC and state registration for investment advisers, and does not address all of the nuances included in the rules and the SEC’s guidance. The chart is not intended as a substitute for a more thorough legal analysis.