



management in the United States, subject to such reporting and record keeping requirements as the U.S. Securities and Exchange Commission (SEC) may prescribe;

WHEREAS, Section 101(17)(B)(xiii) of the Act (D.C. Code § 31-5601.01(17)(B)(xiii)), provides the Commissioner with the authority to exclude from the definition of “investment adviser” any person or class of persons not within the intent of this paragraph as the Commissioner, by rule or order, may designate, thereby causing those persons to not be subject to the investment adviser licensing requirements Section 202 of the Act (D.C. Code § 31-5602.02);

WHEREAS, the Commissioner finds that, subject to the provisions of this Order, investment advisers that have total assets under management less than \$150 million and render advice solely to one or more private funds are not within the intent of the definition of “investment adviser” under Section 101(17) of the Act (D.C. Code § 31-5601.01(17)); and


WHEREAS, the Commissioner finds that the issuance of this Order is necessary and appropriate in the public interest and for the protection of investors and clients and consistent with the purposes fairly intended by the policies and provisions of the Act.

**NOW, THEREFORE, IT IS HEREBY ORDERED THAT:**

1. An investment adviser solely to one or more private funds that has total assets under management less than \$150 million and that is exempt from the investment adviser registration requirements under Section 203(m) of the Advisers Act and is in compliance with SEC Rule 203(m)-1 (“exempt Private Fund adviser”) shall be exempt from the definition of “investment adviser” under Section 101(17) of the Act (D.C. Code § 31-5601.01 (17)) for purposes of the investment adviser licensing requirements of Section 202 of the Act (D.C. Code § 31-5602.02).
2. An exempt private fund adviser that is exempted from the definition of investment adviser pursuant to this Order shall comply with the reporting requirements of SEC Rule 204-4 and make a notice filing with the Department of Insurance, Securities and Banking of its exempt reporting adviser status on Form ADV through the IARD system.
3. An exempt private fund adviser that is exempted from the definition of investment adviser pursuant to this Order shall pay a notice filing fee of \$250 to the District through the IARD system.
4. An individual employed by or associated with an exempt private fund adviser that is exempt from the District’s investment adviser licensing requirements pursuant to this Order shall be excluded from the definition of “investment adviser representative” in section 101(18) for the Act (D.C. Official Code § 31-5601.01(18)) by virtue of such individual’s activities on behalf of the exempt private fund adviser, during such time as the exemption pursuant to this Order is in effect.

5. The exemption provided in this Order extends to state investment adviser licensing requirements and investment adviser representative registration requirements only, and does not excuse compliance with all other applicable securities registration, anti-fraud, fiduciary and related provisions.
6. This Order is effective the 10<sup>th</sup> day of June, 2016 and shall remain in effect until modified or rescinded.

IN WITNESS WHEREOF, I have hereunto set  
my hand and affixed the official seal of this  
Department in the District of Columbia, this  
10<sup>th</sup> day of June, 2016.

  
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Stephen C. Taylor, Commissioner