



RIA Registration Guide

State or SEC?

Figuring out which regulator to register with can be confusing. So let's start with the basics.

- 1.If you have less than \$100 million in assets under management, you will register with the states.
- 2.If you have to register in 15 or more states, you can register with the SEC.
- 3.If you will be able to move \$100 million in assets within the first 120 days of your registration, you can register with the SEC.
- 4.If you don't have any assets under management and only do financial planning, you will have to register with the state.
- 5.If you are an internet adviser, you will register with the SEC.

How do I know which states I need to register in?

Generally, you will have to register in any state in which you have a physical presence in the state. You will also have to register in any state in which you have clients. Some states allow you to have a certain number of clients that are residents of their state, without having to register. Others do not. Some states allow you to have up to a certain number of clients in their state, so long as you do not hold yourself out publicly as an adviser.

Where do I start?

You are capable of filing your own RIA registration. However, drafting the required documents and corresponding with the state or federal examiner could take between 20 and 60 hours of your time. You will also need to prepare your compliance documents and client contracts.

Where and what do I file?

Your firm's registration documents will be filed via IARD, which is maintained by FINRA. Below is a list of documents you will need to file through IARD in order to initiate the registration process.

1. Form SAA
2. Form ADV Part 1A
3. Form ADV Part 1B (for state registrants)
4. Form ADV Part 2A
5. Form ADV Part 2B for each IAR (for state registrants)
6. Form ADV Part 3/Form CRS (for SEC registrants)

What other documents will I need?

Different states may require other additional information as part of their review of your filings for registration. These can be:

1. Balance sheets
2. Signed affidavits and attestations
3. Proof of a bond
4. Minimum net capital
5. Copies of private fund documents (for those firms that manage their own funds)

You may also be asked to provide copies of your firm's:

- Compliance Manual
- Business Continuity Plan
- Investment management agreement
- Financial planning agreement
- ERISA fiduciary agreements
- Solicitor's agreement

This sounds like a lot. Can you help?

We know this process can be overwhelming and there are so many compliance and legal documents required in order to register your firm with the state or SEC. That is why we have created our Ultimate RIA Registration Package.

The Ultimate RIA Registration Package

The team at My RIA Lawyer will :

1. File Form SAA to obtain your login credentials into IARD
2. Complete Form ADV Part 1A and 1B based on your responses to our questionnaire
3. Prepare Form ADV Part 2A Disclosure Brochure based on our discussions with you about your firm's services, fees, investment strategies and overall business model
4. Prepare Form ADV Part 2B for each IAR that will be associated with the firm
5. Prepare Form ADV Part 3/Form CRS for SEC registrants
6. Submit through IARD your fully customized and tailored ADV documents
7. Prepare your firm's Compliance Manual, Code of Ethics, Business Continuity Plan, Cybersecurity Policy and Privacy Policy
8. Prepare your client services agreements to ensure clear communication of your fees with clients and their receipt of your firm's ADV documents
9. Interact and discuss your filings with the state or federal regulator to ensure registration of your firm
10. File Form U4 to associate your IARs with your firm

What happens after I am registered?

You may come from a large RIA or are leaving your FINRA BD career behind for the freedom and flexibility of the RIA space. That also means you are giving up an in house legal and compliance team that would guide you and keep you out of trouble.

Our firm is set up to simulate the same experience you had before, but now as an outsourced provider of your own firm.

As an added bonus to our Ultimate RIA Registration Package, we also give you:

1. Unlimited access to our compliance and legal team to answer your registration related questions
2. Unlimited access to our compliance team for compliance related questions for a period of 90 days from the date of your firm's registration
3. One license to Smart RIA pre-filled with our custom forms and tasks so that you don't lose track of your regulatory responsibilities

What regulatory responsibilities?

As the owner of a new RIA, you will be required to supervise your team, create and test your compliance systems and ensure that all advisers are meeting their responsibilities as fiduciaries to your clients. We help you accomplish this by giving you access to our compliance program for free when you utilize My RIA Lawyer for your firm's registration needs.

What is Smart RIA?

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Our firm is set up to simulate the same experience you had before, but now as an outsourced provider of your own firm. With the power of Smart RIA's technology platform, we can automate your compliance program, maintain and store key books and records, ensure that your fiduciary duty is transparent and documented, and that regulatory obligations are fulfilled.

Through our partnership with Smart RIA, we are able to bring your newly registered RIA the sophistication and automation of a larger firm, supported by a team of attorneys and compliance officers readily available to meet the needs of your firm.



Making the jump to start your own firm is a big decision. Its stressful, hard work, and you have to learn a ton. This why I decided to hire a professional team to help establish my RIA the right way the first time. My RIA Lawyer's team is absolutely amazing. They have demonstrated expert knowledge, personable staff, and they have shown us how much they genuinely care about setting us up for success by giving us the tools we need to help others.

Eric Gomez
Owner, SG Wealth Managers

Operations and Records

Operational Books & Records

- Compliance Manual
- Code of Ethics
- Form ADV
- Accounting

Compliance Automation

- Compliance Calendar Templates
- Self-Audit Review Checklists
- ADV Timeline
- Reporting Templates
- Privacy and Security Review

Regulatory Books & Records

- Advertising
- Solicitor
- Trading Policies
- Client Relationship

Operational Review

- Ad and Marketing
- Regulation Review and Compliance
- Branch and Remote Operations
- Regulatory Filings
- Professional Designations

Employee Onboarding

New Employee Attestations

- Code of Ethics
- Trading Policies
- Privacy and Security Policies
- Compliance Manual

New Employee Reporting

- Access Controls
- Initial Holdings Reporting
- Initial Outside Business Activity Reporting

Clients and Accounts

Client Agreements & Correspondence

- Review and approve initial client agreements
- Upload and review client correspondence
- Supervise and archive emails to clients

Client Trades & Alerts

- Trading inactivity alerts and reporting
- Document & reconcile trade errors
- Missing review alerts

Client Billing & Fee Documentation

- Document and approve fees charged to clients
- Compliant storage of client billing documentation

Client Reviews & Reporting

- Client annual reviews
- Client and account required documents
- Clients by state and household

I worked with Leila as I was getting my new RIA firm up and running. Leila provided expert legal advice as a complement to the national compliance firm who was assisting me with my registration. I was introduced to Leila after I had already begun the process and not sure how I would have made it through without her. She was an invaluable resource and I look forward to working together again in the future!

Nicolas Chiricosta
Owner, Utopia Wealth Management



What else should I know?



TOP 10 THINGS BREAKAWAY BROKERS SHOULD KNOW

BEFORE THEY TRANSITION AWAY FROM THEIR FIRM

1. Only bring limited client information with you to your new firm.

More specifically: names, addresses, phone numbers, email addresses and account titles of clients previously serviced at the former firm. By providing the list of the exact client information alongside a letter of resignation to the prior firm may prevent violations of Reg S-P and your non-solicit employment agreement.

2. Do not announce your departure in advance to colleagues until you have submitted your resignation letter.

This includes soliciting clients or colleagues to join you at the new firm. Doing so may constitute breach of your employment agreement and may make you vulnerable target of "raiding" claims.

3. Wait until you are formally employed by your new firm before soliciting your prior clients.

This is to prevent breaching any terms of your employment agreement.

4. Plan for the potential costs of business disruption.

Whether it's the waiting period between soliciting and transitioning former clients, or waiting for new clients to be billed at the new firm, you must adequately prepare for your financial needs by having enough working capital to manage business costs. The transition process can take up to a quarter or longer before any regular income is derived from your new venture.

5. Take inventory of your legal obligations and limitations with your prior former firm.

This includes reviewing your employment contract or independent contractor agreement and taking note of: who owns the client relationship, whether the contracts contain non-compete or non-solicit provisions (and if so, what activities will be restricted); whether the former firm is a member of Broker Protocol; and potential limitations regarding client communications.

6. Check to see if both your former and new firms have signed the Broker Protocol Agreement.

In order for the Broker Protocol to apply for a moving broker, both the departing and receiving firms must have signed the Broker Protocol agreement. Check the Broker Protocol Directory to see if your firm is listed.

7. Know what you owe.

If you entered into a promissory note agreement with your prior firm, your transition may result in an acceleration of any amounts due. Similarly, if there was a signing bonus or other outstanding loan, these may need to be resolved before you are able to leave the firm

8. Seek professional legal and financial advice.

Have an experienced attorney review your contract to ensure there are no restraints from leaving your current firm. Similarly, if your firm is a member of the Broker Protocol, make sure your legal counsel is familiar with the Protocol and its exact terms.

9. If you are starting your own RIA, you should hire an RIA compliance attorney to help with registration and ADV filings.

Additionally, you should also have your business plan reviewed to ensure your plan addresses all core considerations. These include: determining the business's legal structure, expected costs and revenue, who to select as a primary RIA Custodian, type of business and revenue model (and the type of fee structure), the clientele you want to serve, type of office space you will utilize (virtual or physical), type of software and tools to implement at your new firm (financial planning software, accounting management system, client billing or invoicing system, cloud document storage/file sharing services, client presentation software), evaluating different insurance policies for your business, trademarking your company name marketing, and types of promotional materials you wish to use (websites, domain names, logos, business cards and e-mail marketing services).

10. Prepare yourself – emotionally, mentally, and physically – for your transition to independence.

It may be an arduous process, but it will be worth it.

TOP 25 MISTAKES

NON-ATTORNEY SERVICE PROVIDERS

MAKE THAT COULD CAUSE YOU HUGE FINES

- 01 They use basic questionnaires to get information from you
- 02 They use templates that may be outdated
- 03 They don't keep up with changes in state and federal law
- 04 They provide improper analysis of how law applies to your firm
- 05 They don't customize documents for your business
- 06 They don't visit your office when conducting a mock exam
- 07 Don't want to listen to you if you tell them they are wrong
- 08 They don't have a network of service providers they've vetted and can refer when you need additional services
- 09 They don't guarantee their work
- 10 They don't speak with you regularly
- 11 They make you do all the work
- 12 They respond to regulators on your behalf WITHOUT consulting with a securities attorney
- 13 They don't know how your business works practically so that your compliance manual actually works for your firm
- 14 They do not prepare standard operating procedures for your firm
- 15 They do not review and analyze your advertisements
- 16 They don't get to know the state commissioners or the regional SEC office examiners
- 17 They do not conduct in depth training with you and your staff
- 18 They cannot protect their communications with you through attorney-client privilege
- 19 They do not look at your financial statements
- 20 They do not review contracts to make sure you and your firm are protected
- 21 They do not understand how to protect you from increased liability
- 22 They do not review your internal processes
- 23 They do not understand private fund management
- 24 They do not provide assistance with HR
- 25 They tell you that you shouldn't outsource with CCO or General Counsel positions

Ready to get started?

Email us today at letsdothis@myrialawyer.com. You will be connected to one of our resident RIA Nerds who will learn more about you, your firm and what is pushing you to start your own RIA.

You will be connected with an attorney who will discuss specific legal challenges or issues you may be facing so that we can give you clear guidance on the best course of action.

Our team of expert compliance officers and attorneys will prepare customized and tailored documents while answering all of your questions. Sleep easy knowing a team of industry experts are setting up your firm for success.

Email us at letsdothis@myrialawyer.com to get started today!



Working with Leila and her team at My RIA Lawyer has been the best investment for our firm. She has been able to handle the complexity of our business. We sleep better at night knowing our compliance infrastructure is secure

Nicole Meihofer
COO and Managing Partner, Aurelien Capital Partners