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STATE OF MARYLAND  
OFFICE OF THE ATTORNEY GENERAL  
SECURITIES DIVISION

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Dear Investment Adviser,

The Maryland Securities Division (the “Division”) has proposed amendments to its Investment Adviser Regulations to adopt continuing education requirements for all investment adviser representatives (“IAR”) registered or required to be registered in Maryland. The regulations proposal also eliminates the exemption from registration for IARs of sole proprietor or sole proprietor equivalent investment advisers (“sole proprietor(s)”).

Under the proposal, beginning in 2022, all IARs registered or required to be registered in Maryland will be required to attain twelve Continuing Education (“CE”) credits annually in order to maintain their IAR registration. The twelve CE credits must include six credits of Products and Practices and six credits of Ethics and Professional Responsibility.

Upon the adoption of the regulations proposal, the exemption from IAR registration for state-registered sole proprietors provided under Regulation .11A(4) of COMAR 02.02.05 will be eliminated. **Effective January 1, 2022, all state-registered sole proprietors filing applications on behalf of their IARs through the CRD system will be assessed a \$50 initial registration fee per IAR application and annual renewal fees. By no later than March 31, 2022, all IARs for state-registered sole proprietors will be required to register with the Division as an IAR by filing a Form U4 application through the CRD system.**

The regulations proposal, which was published in the October 22, 2021 edition of the Maryland Register, can be found at pages 12 – 15 of the following link, <http://www.dsd.state.md.us/MDR/4822.pdf>. As set forth in the proposal, all interested parties may submit comments on the regulations proposal to the Division. Comments will be accepted by the Division until November 22, 2021.

A guide for understanding the new Investment Adviser Representative Continuing Education Requirements and the elimination of the IAR registration exemption for sole proprietors is posted on the Division's website, [https://www.marylandattorneygeneral.gov/Securities%20Documents/OAG\\_IAR\\_CE\\_Rule\\_Compliance\\_Guide.pdf](https://www.marylandattorneygeneral.gov/Securities%20Documents/OAG_IAR_CE_Rule_Compliance_Guide.pdf). The guide summarizes the new regulations proposal and provides FAQs that may address any questions that you have.

If you cannot find the answer to your questions using these resources, please contact the Division at [securities@oag.state.md.us](mailto:securities@oag.state.md.us).

Thank you.

*The Maryland Securities Division*