

808 KAR 10:400. Examination fees and criteria.

RELATES TO: KRS 292.336(4), 15 U.S.C. 78s(b), 15 U.S.C. 78w

STATUTORY AUTHORITY: KRS 292.336(4)(b)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 292.336(4)(b) provides that the commissioner may make periodic examinations of broker-dealers, firms employing issuer agents, and investment advisers and may charge a reasonable fee for the examination. This administrative regulation establishes the schedule of fees.

Section 1. Investment Adviser. The fee for an examination of an investment adviser shall be:

- (1) Seventy-five (75) dollars for an investment adviser with assets under management of one (1) million dollars or less;
- (2) \$150 for an investment adviser with assets under management of more than one (1) million dollars but not more than five (5) million dollars;
- (3) \$250 for an investment adviser with assets under management of more than five (5) million dollars but not more than ten (10) million dollars;
- (4) \$300 for an investment adviser with assets under management of more than ten (10) million dollars but not more than twenty (20) million dollars;
- (5) \$350 for an investment adviser with assets under management of more than twenty (20) million dollars but not more than thirty (30) million dollars;
- (6) \$450 for an investment adviser with assets under management of more than thirty (30) million dollars but not more than forty-five (45) million dollars;
- (7) \$550 for an investment adviser with assets under management of more than forty-five (45) million dollars but not more than sixty (60) million dollars;
- (8) \$650 for an investment adviser with assets under management of more than sixty (60) million dollars but not more than seventy-five (75) million dollars; and
- (9) \$750 for an investment adviser with assets under management of more than seventy-five (75) million dollars.

Section 2. Broker-Dealer and Issuers. The fee for an examination of a broker-dealer or a firm employing issuer agents shall be thirty-five (35) dollars per working hour with the total fee not to exceed \$1,000. A fee shall not be charged for training hours on an examination.

Section 3. Application of Industry Standards to Examination Criteria. When not in conflict with Kentucky law, a Department of Financial Institution examiner shall apply the recordkeeping, supervisory, and conduct rules promulgated by:

(1) The Securities and Exchange Commission pursuant to 15 U.S.C. 78w; or

(2) If the broker-dealer is a member of a self-regulatory organization as defined in 15 U.S.C. 78c(a)(26), the self-regulatory organization pursuant to 15 U.S.C. 78s(b).

(26 Ky.R. 668; Am. 1008; eff. 11-15-1999; 38 Ky.R.1667; 1858; eff. 6-1-2012; Crt eff. 2-27-2020.)