ALABAMA SECURITIES COMMISSION

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EMERGENCY ORDER

Temporary Relief for Registrants Affected by the COVID-19 Outbreak

Given the disruptions caused by the COVID-19 outbreak and forced dislocations affecting broker-dealers, investment advisers, and their registered agents or representatives (collectively, "financial professionals), the Director of the Alabama Securities Commission is adopting this Emergency Order pursuant to *Code of Alabama*, § 8-6-23 to temporarily grant the relief below.

I. Registration or Filing Relief for Financial Professionals

The Alabama Securities Commission (ASC) understands that some financial professionals who are not registered or notice filed with the ASC have been displaced from their ordinary business locations, and are currently engaging, or may desire to engage, in activities that would require them to register or file with the ASC.

A. Such displaced financial professionals are temporarily exempted from the registration and filing requirements of the Alabama Securities Act, *Code of Alabama*, § 8-6-3, *et seq*. and related regulations in the following circumstances:

1. The financial professional is working from a location outside of the jurisdiction in which he/she/it is currently registered as a response to the COVID-10 outbreak;

2. The financial professional was properly registered and/or notice filed with all required securities regulators and self-regulatory organizations as of March 1, 2020;

3. The financial professional is not currently the subject of an ongoing enforcement proceeding in any jurisdiction and is not in violation of the

Alabama Securities Act and related regulations, except for those provisions included within the scope of this Emergency Order; and

4. The financial professional limits activities to existing customers or clients and does not solicit new customers or clients in or from Alabama.

B. A financial professional who meets the conditions in Section I.A. above may engage in the following activities without registering or filing with the ASC:

1. Conduct activities for which registration or filing with the ASC as a financial professional would be required, but only with or on behalf of customers or clients with whom the financial professional had an existing customer or client relationship on March 1, 2020;

2. Open and maintain a temporary branch office or office of supervisory jurisdiction in Alabama that was not in operation on March 1, 2020, provided that the financial professional informs the ASC by electronic mail at asc@asc.alabama.gov of the (a) physical address of the office, (b) the names and registration statuses of all persons working in the office, and (c) a primary point of contact for the office, with full contact information.

3. As a consequence of the relief provided in this Section I, any firm that opens a temporary branch office in accordance with Section I.B.2. above is also temporarily relieved from the requirement to maintain updated Form U4 information regarding the office of employment address for registered persons who temporarily relocate due to the COVID-19 outbreak.

II. Relief from Requirement to Obtain Physical Signatures on Forms U4

The ASC understands that broker-dealers, state registered investment advisers and federal covered investment advisers may not be able to obtain physical signatures on Forms U4 in a timely manner as required by FINRA rules[1] and similar provisions of the Alabama Securities Act and related regulations. Such firms may submit Forms U4 electronically, without first obtaining physical signatures from individual agents or representatives, provided that the firm (a) provides the individual with a copy of the completed Form U4 prior to filing, (b) obtains the individual's written agreement prior to filing that the form's content is accurate and complete, (c) retains the written acknowledgement in accordance with Alabama's laws and regulations, and (d) obtains the applicant's physical signature as soon as practicable.

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[1] *See* FINRA, *Frequently Asked Questions Related to Regulatory Relief Due to Coronavirus Pandemic* (Mar 18, 2020) available at https://www.finra.org/rules-guidance/faqs/coronavirus.

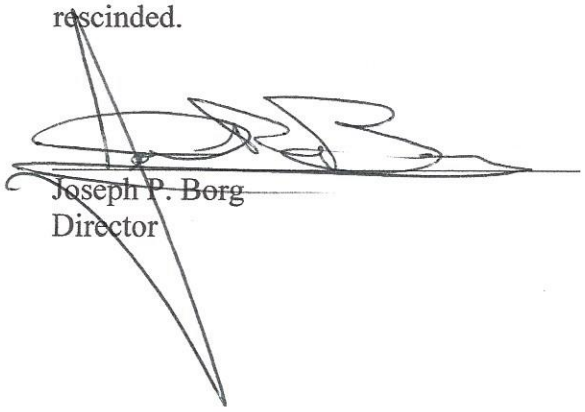
III. Relief from Annual Update Filings and Document Delivery Requirements by State-Registered Investment Advisers

The ASC understands that state registered investment advisers may have difficulty updating their Forms ADV in a timely manner or meeting their Form ADV delivery requirements. Accordingly, an investment adviser registered with the ASC may perform any of the Form ADV filing, updating and customer delivery requirements set forth by the Alabama Securities Act and related regulations up to 45 days after such action is due to be performed. Relief under this Section III is not available to any person not registered with the ASC as an investment adviser, including any financial professional not registered in reliance upon Section I of this Emergency Order.

IV. Coordinating Information and Enforcement

Financial professionals who rely on any provision of this Emergency Order shall keep a copy of the Order in their records to document their reliance on it. Any activities that do not meet the conditions outlined above will be treated by the ASC as non-exempt and may constitute unregistered securities activity subject to state enforcement action.

This Emergency Order shall remain in effect until April 30, 2020, unless extended or rescinded.



Joseph P. Borg
Director

March 19, 2020
Effective Date