The State of New Hampshire

Mailing Address

State House Room 204 Concord, New Hampshire 03301-4989 Telephone (603) 271-1463 Facsimile (603) 271-7933



Location

State House Annex 25 Capitol St. Concord, New Hampshire 03301

Department of State

Bureau of Securities Regulation

August 22, 2002

Michael K. Renetzky Lord Bissell Brook 115 S. Lasalle Street Chicago IL 60603-3901

Re:

Interpretive/No Action Request

Federal Savings Bank/Federal Covered Adviser Representative Licensure in New

Hampshire

Dear Mr. Renetzky:

Reference is made to your letter dated May 20, 2002 wherein you requested an opinion from the Bureau on whether solicitors and investment adviser representatives, of Federal Savings Banks registered as investment advisers with the Securities and Exchange Commission [SEC] (thereby becoming "federal covered advisers" under New Hampshire law), should be licensed in the State of New Hampshire.

It is this Bureau's position that individuals who are located in the State of New Hampshire and who are solicitors and/or investment advisor representatives of any federal covered adviser, must be licensed as agents of the adviser in New Hampshire.

When an otherwise exempt Federal Savings Bank becomes an SEC registered adviser, for whatever reason, it also becomes a "federal covered adviser" under New Hampshire law. In order to keep a level playing field for all investment advisers doing business in the state, and because there is no provision to except such Banks from the definition, every SEC registered investment adviser Federal Savings Bank doing business in New Hampshire or with New Hampshire clients must file a notice and pay a fee prior to conducting such business. Likewise, any agents (investment adviser representatives or solicitors) of the federal covered adviser who are located in New Hampshire would need to obtain an investment adviser agent license in this state prior to conducting any investment adviser business.

TDD Access: Relay NH 1-800-735-2964

Michael K. Renetzky August 22, 2002 Page 2

This position is based on facts and representations contained in your letter, and different facts or conditions might require a different conclusion. This position cannot be used as a precedence of other, apparently similar, situations. The Bureau cannot and does not give legal opinions, advice or conclusions, so this response merely expressed the Bureau's position on enforcement action and does not express a legal conclusion on the question presented.

Very truly yours,

Mary Jurta CPA
Senior Auditor, Licensing & Examinations

MLJ/rls