



Form CRS Guidance for Investment Advisers

1. How do I file Form CRS?

You must file Form CRS on the IARD system.

You must also post the current version of Form CRS prominently on your website in a location and format that is easily accessible for retail clients.

2. When do I update Form CRS?

Form CRS must be updated within 30 days of becoming materially inaccurate. The amended filing must include an exhibit highlighting changes by, for example, marking the revised text or including a summary of material changes.

3. When do I provide Form CRS to clients?¹

Initial Delivery

You must deliver Form CRS to existing retail clients by July 30, 2020. Beginning June 30, 2020, you must deliver Form CRS to new retail clients before or at the time you enter into an investment advisory agreement (beginning June 30, 2020). Note that you must deliver Form CRS even if your agreement with the retail client is oral.

Subsequent Delivery

You must deliver Form CRS to existing retail clients before or at the time you:

- ✓ open a new account that is different from the retail client's existing account(s),
- ✓ recommend that the retail client roll over assets from a retirement account into a new or existing account or investment, or
- ✓ recommend or provide a new brokerage or investment advisory service or investment that does not necessarily involve the opening of a new account and would not be held in an existing account, for example, the first-time purchase of a direct-sold mutual fund or insurance product that is a security through a "check and application" process, i.e., not held directly within an account.

Note: You do not need to provide Form CRS if you amend an existing account solely to add another account holder or beneficiary.

You must also deliver the Form CRS to a retail client within 30 days upon the retail client's request.

Delivery of Form CRS Updates

You must communicate to existing retail clients any changes to Form CRS within 60 days of filing an amended Form CRS. You can make the communication by delivering the amended Form CRS

¹ Delivery requirements for broker-dealers may differ, and dual registrants must deliver Form CRS at the earlier of either the requirements for investment advisers or broker-dealers.



(with the exhibit highlighting all changes) or through another disclosure that is delivered to the retail client.

4. How should I provide Form CRS?

If you have informed consent from existing retail clients to provide disclosure documents electronically, you may deliver Form CRS (and updates) to existing retail clients electronically. Note that consent must consistent with SEC guidance regarding electronic delivery.²

You may deliver Form CRS to new or prospective retail clients in a manner consistent with how the retail client requested information about you or your financial professionals. This means that if a new or prospective retail client initially requested information about the firm by email, you may provide Form CRS by email. Alternatively, if a new or prospective retail client initially requested information about the firm by phone (or in person), you should provide a paper copy of Form CRS.

If Form CRS is delivered to retail clients electronically, it must be presented prominently, such as a direct link or in the body of an email or message, and must be easily accessible. If a paper copy of Form CRS is delivered to retail clients as part of a package of documents, Form CRS must be the first among package of documents that are delivered at that time.

5. What books and records do I need to maintain?

You must maintain a copy of Form CRS and each amendment or revision to Form CRS . You must also maintain a record of the dates that each Form CRS, and each amendment or revision to Form CRS, was given to any existing retail client or prospective retail client who subsequently becomes a client

These books and records must be maintained for 5 years after the end of the fiscal year in which the record was created.

6. Are there any other changes or best practices that I should consider?

You should update your compliance policies and procedures to address: 1) the requirement to create and update Form CRS, 2) the provision of (and manner of providing) Form CRS to retail clients, 3), the posting of Form CRS on your website, and 4) the maintenance of books and records associated with Form CRS.

You should also consider updating your standard investment advisory agreements to include an acknowledgement of a retail clients' receipt of Form CRS.

It is also advisable to provide relevant staff with training regarding Form CRS and the related delivery and recordkeeping requirements.

If you have additional questions, please contact your NorthPoint Consultant.

To receive a Microsoft Word version of this document, please contact us at info@npcomply.com.

² See Use of Electronic Media by Broker-Dealers, Transfer Agents, and Investment Advisers for Delivery of Information, <https://www.sec.gov/rules/concept/33-7288.txt>.