

Arkansas Securities Department's Response to Comment attached as Exhibit 1:

Investment Adviser Representatives are tested for knowledge before they are registered, but there is no mechanism to ensure that their level of knowledge and competence is maintained or expanded. By comparison, most other financial professionals are subject to continuing education requirements, including broker-dealer agents, insurance agents, certified financial planners, mortgage loan officers, and real estate agents. Given that Investment Adviser Representatives play an important role in their client's financial lives, the Securities Department believes that a continuing education requirement is a reasonable solution to ensuring that Investment Adviser Representatives have the knowledge to better serve their clients.

Karyn Tierney

From: Campbell McLaurin
Sent: Monday, April 4, 2022 10:23 AM
To: Karyn Tierney
Subject: Fwd: Proposed Amendments to the Rules of the Arkansas Securities Commissioner

FYI

Campbell McLaurin
Deputy Commissioner
Arkansas Securities Department
O: 501.324.8670 | M: 501.291.8125

*Sent from my office mobile

From: T Kendyal Free <tkendyalfree@gmail.com>
Sent: Saturday, April 2, 2022 9:06:23 PM
To: Campbell McLaurin <campbell.mclaurin@arkansas.gov>
Subject: Re: Proposed Amendments to the Rules of the Arkansas Securities Commissioner

I disagree and do not believe that continuing education would be beneficial to clients with the exception of compliance related items and limit that to 8 hours per year. You are creating a situation in which companies are going to have artificial high prices for "continuing education" simply because it is now a requirement. An IAR that has any sense of responsibility is going to be cognizant of the appropriate items to advise and in which to place their clients' funds.

Advertising changes are reasonable and necessary, but the continuing education is overkill.

Thomas Kendyal Free, IAR
KFree Inc.

On Fri, Apr 1, 2022 at 9:47 AM Campbell McLaurin <Campbell.McLaurin@arkansas.gov> wrote:

REGISTRANT ADVISORY - Proposed Amendments to the Rules of the Arkansas Securities Commissioner

The Arkansas Securities Department will hold a public hearing on May 2, 2022, at 10:00 a.m. in the Diamond Mine Conference Room – Second Floor of the Commerce Department, 1 Commerce Way, Little Rock, Arkansas 72202. The public hearing will be conducted for the purpose of accepting public comment on the proposed amendments to the Rules of the Arkansas Securities Commissioner for the Arkansas Securities Act, Ark. Code Ann. §§ 23-42-101 through 509. The proposed amended Rules contain: a continuing education requirement for investment adviser representatives; updated policies and procedures requirements for broker-dealers and investment advisers; a modification to the rules concerning advertising by investment advisers; and other general clarifying provisions. These amendments address matters necessary in the orderly administration of laws concerning the regulation of securities activity in Arkansas.



Written comment will be accepted through 9:00 a.m. on May 2, 2022. A copy of the proposed Rules (attached) also may be obtained from the Arkansas Securities Department at the above address, by calling the Arkansas Securities Department at (501) 324-9260, or through the Arkansas Securities Department website at www.securities.arkansas.gov (<http://securities.arkansas.gov/page/402/Proposed%20Rules>).

Campbell McLaurin

Commissioner (*interim*)

Arkansas Securities Department

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SECURITIES.ARKANSAS.GOV



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