

Press Release

SEC Proposes Reforms Relating to Investment Advisers Operating Exclusively Through the Internet

FOR IMMEDIATE RELEASE

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Washington D.C., July 26, 2023 — The Securities and Exchange Commission today proposed amendments to the rule permitting certain investment advisers that provide investment advisory services through the internet to register with the Commission. The proposed amendments generally would require an investment adviser relying on the internet adviser registration rule to have at all times an operational interactive website through which the adviser provides digital investment advisory services on an ongoing basis to more than one client. The proposed amendments would also eliminate the de minimis exception from the current rule by proposing to require that an internet investment adviser provide advice to all of its clients exclusively through an operational interactive website, and make certain corresponding changes to Form ADV.

“In 2002, the SEC granted what was intended to be a narrow exception allowing internet-based advisers to register with the Commission instead of with the states,” said SEC Chair Gary Gensler. “A lot has changed in the 21 years since, and I believe an exemption written in 2002 allows gaps in 2023. Thus, today’s proposal would modernize the internet advisers exemption to better align registration requirements with modern technology and help the Commission in the efficient and effective oversight of registered investment advisers.”

The proposing release will be published in the Federal Register. The public comment period will remain open until 60 days after the date of publication of the proposing release in the Federal Register.

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Related Materials

- [Proposed Rule](#)
- [Fact Sheet](#)