

2022 YEAR IN REVIEW



INVESTMENT ADVISER
ASSOCIATION



TABLE OF CONTENTS

Letter from President & CEO and Board Chair	3
State of the Industry	5
Powerful Advocacy	7
• Regulatory Advocacy	7
• Cybersecurity	9
• ESG/Sustainable Investing	10
• Private Fund Advisers	11
• Outsourcing	12
• Additional Regulatory Activity	13
Legislative Advocacy	15
Essential Expertise	21
Business Practices Programming	27
Communications	30
Crucial Conversations	31



Letter from IAA President & CEO Karen Barr and Board of Governors Chair Yvette Garcia

We are proud to present the Investment Adviser Association's 2022 Year in Review.

This year – with the active involvement of our members – the IAA has successfully advanced the interests of investment advisers in the regulatory and legislative arenas and promoted the value of fiduciary advice to investors, policymakers, and the public.

As the leading organization for fiduciary investment advisers, we work diligently to promote the success of our member firms and the industry at large through essential expertise, crucial connections, and powerful advocacy focused on advisers' needs.

2022 has been marked by many important initiatives, resources, and advocacy successes to provide value to your firm.

We brought our members together to advocate on behalf of the industry

in response to the tidal wave of regulation and policy proposals that, if adopted, will significantly impact your firms' operations, services, and clients. From cybersecurity to service provider oversight, from an overhaul of private fund regulation to major new climate-related proposals, from fiduciary duty to shortening the trade settlement cycle, we have advocated strongly for your interests. And we have been laser-focused on educating policymakers about the cumulative impact and interconnectedness of all these regulations on your businesses.

We championed smaller firms by ensuring policymakers acknowledge their unique challenges, the cumulative impact of policy decisions on their businesses, and the importance of their ability to serve the investing public.

We provided resources and programming to ensure you have the most current information at your fingertips as you navigate new regulatory requirements. For example, to support our members' efforts to implement the new Marketing Rule, we created a dedicated Marketing Rule Resource Page and a Marketing Implementation Group that provides regular expert insights on interpretive issues and provides a forum for members to share implementation and operational concerns.

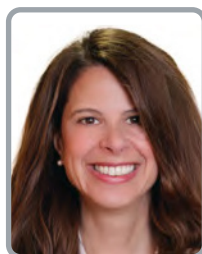
We convened firm leaders to discuss succession planning, talent

management, firm culture, active and passive management, industry trends, and more. And we have continued to reinforce the value of fiduciary advice in the media and through our meetings with key industry stakeholders.

We look forward to working with you in the coming year as we continue to strengthen our already trusted voice in critical policy arenas and provide the high-quality and comprehensive services and resources that are of critical value to you. As always, we welcome – and encourage – your participation and feedback.



Karen L. Barr
IAA President & CEO



Yvette Garcia
Chair of the IAA Board of Governors



State of the Industry

According to the IAA's annual *Investment Adviser Industry Snapshot*, the industry set records again in 2021, growing by 6.7%, with close to 15,000 SEC-registered investment advisers managing \$128.4 trillion in assets for 64.7 million clients.

More than 88% of these advisers work in smaller firms with 50 or fewer employees, making it clear that small businesses serving individual investors are the backbone of the investment adviser community. The results

of the 2022 Snapshot confirm that investors recognize the value of fiduciary advice in helping them meet their financial goals, whether planning for retirement, saving for homeownership, or funding an education.



All client segments continue to grow in number. In 2021, the number of clients increased by 6.4%.

Additionally, this year's report underscores the diverse nature of the industry and its tremendous growth, most notably in terms of the number of individual clients and the number of private funds. These trends are impacting the SEC's focus areas for examinations and rulemaking, as evidenced by the proposals made earlier this year that aim to increase protections for retail and private fund investors.

And our advisory firm compliance testing survey shows that implementing the SEC's new *Marketing Rule 206(4)-1* continued to be the industry's number one compliance concern, with 78% of survey respondents identifying it as the hottest compliance topic. Other hot topics included:

- Conflicts of interest
- Fee calculation and billing/expenses
- Private funds regulation
- Digital assets
- Insider trading
- Valuation
- Electronic communications surveillance



Conflicts of interest



Fee calculation and billing/expenses



Private funds regulation



Digital assets



Insider trading



Valuation



Electronic communications surveillance

In 2021, the number of clients increased by

6.4%



Powerful Advocacy

Crucial to the IAA's mission is providing powerful advocacy – in the legislative, regulatory, and public arenas – to influence outcomes that serve and support our members' businesses, their clients, and the broader community of fiduciary investment advisers.

Regulatory Advocacy

The IAA effectively advocates for a policy environment that is efficient, effective, and protects investors. We weigh in on the SEC's, Department of Labor (DOL), and other agencies' development, formulation, and adoption of regulations that impact fiduciary advisers, primarily through written comment letters and meetings with the regulators.

The IAA's policy and advocacy efforts are developed in partnership with our members, working through each of our committees and

working groups, as well as through dedicated workstreams created for members to help shape our response to specific regulatory initiatives.

Our associate members are also essential partners in our advocacy efforts, allowing us to benefit from one another's perspectives and expertise. We collaborate with other organizations when we have shared interests, and we champion our members' interests through numerous channels, including public speaking, social media, and engagement with the press.

The pace and scope of financial regulatory proposals this past year have been unprecedented, with the SEC issuing highly complex, consequential, and interrelated rule proposals – in aggregate, thousands of pages long – with unreasonably short deadlines for public input. The IAA submitted 29 comment letters this year, underscoring the scope and breadth of the proposals.

The IAA has objected to the absence of a meaningful opportunity to analyze these proposals and provide thorough input into the rulemaking process. This input is critical to ensuring that the SEC’s rules are appropriately tailored and that the agency meets its mission and statutory obligations.

Several important themes have run through our advocacy this year – the impact of regulation on smaller advisers and the

cumulative impact on advisers of all sizes, the importance of looking at regulation holistically and tailoring regulatory requirements to firms of all sizes and with all kinds of business models, ensuring that regulation is strategy and technology neutral, the importance of not substituting a regulator’s judgment for the expert fiduciary judgment of an adviser acting in its client’s best interest, and preserving the longstanding and recently-reaffirmed principles-based approach to regulation of advisers under the fiduciary framework of the Advisers Act.

These themes have been evident, for example, in our advocacy on four of the most sweeping SEC rulemakings this year: cybersecurity; ESG investing; regulation of private fund advisers; and outsourcing by advisers.





Cybersecurity

The SEC issued a sweeping cybersecurity proposal for investment advisers last year. The IAA and our members share and support the SEC's goals to enhance advisers' preparedness and resiliency against cyber threats and protect investors from harm caused by cyber incidents. We believe, however, that the SEC's cybersecurity proposal is unnecessarily broad and burdensome and could be better tailored to achieve these goals. Our advocacy on this proposal has focused on making any new requirements less onerous, including by:

- Excluding smaller advisers from the requirements to file initial and updated reports of cybersecurity incidents to the SEC
- Allowing firms the flexibility to tailor their policies and procedures to their businesses and risks
- Ensuring that any required public disclosure does not overwhelm investors or create a roadmap for bad actors looking to breach advisers' systems

Key Accomplishments

- Supported the SEC's proposed cybersecurity risk management policies with many recommended improvements to achieve stronger cybersecurity more effectively
- Advocated for less onerous SEC disclosure and reporting requirements
- Urged the SEC to better tailor the rules for smaller firms, including carving out smaller firms from burdensome reporting requirements
- Advocated on Capitol Hill for uniform federal cybersecurity and privacy rules for advisers
- Published an op-ed in [InvestmentNews](#) regarding the need for policymakers to acknowledge the individual and cumulative impacts of policy decisions on small businesses – including those related to the cybersecurity proposal – and to preserve the vital place of these small businesses in the financial services ecosystem and allow them to thrive

ESG/Sustainable Investing

The IAA's advocacy before the SEC, DOL, and Congress supports policies that facilitate – but do not mandate – sustainable investing. Our advocacy on this principle recently bore fruit when the DOL issued a final rule supporting this point and reversing its prior rulemaking that would have chilled sustainable investing. The IAA also advocated before the SEC for disclosures by public companies that would assist investment managers in their investment decision-making. We also weighed in on proposed SEC rules that would require disclosures by investment advisers concerning sustainable investing.

We submitted comments strongly supporting the view that advisers and funds should clearly articulate their investment strategies so that investors understand their philosophy and can make informed investment decisions. Advisers and funds are already required to make these kinds of disclosures, whether related to ESG or otherwise. Our comments reflected concerns about the proposal's broad scope, which we believe could obscure rather than clarify salient information for investors, and that the overemphasis on ESG factors could be misleading.



Key Accomplishments

- Urged the SEC to require corporate climate risk disclosures, calling for more consistent, comparable, and reliable ESG disclosures of material information by corporate issuers while stating that it is premature to include Scope 3 greenhouse gas emissions disclosures
- Supported enhanced ESG disclosures for investment advisers and funds, subject to ensuring disclosures are material and decision-useful for investors
- Met with the SEC Chair, Commissioners, and senior SEC officials to discuss our recommendations on both the corporate issuer disclosure and investment adviser disclosure
- Successfully engaged with the DOL to ensure that ERISA plan fiduciaries may consider ESG factors as part of the investment process and may offer ESG strategies to plan participants
- Commented on the DOL's request for information on climate-related financial risks, urging it not to favor one type of investment strategy over another

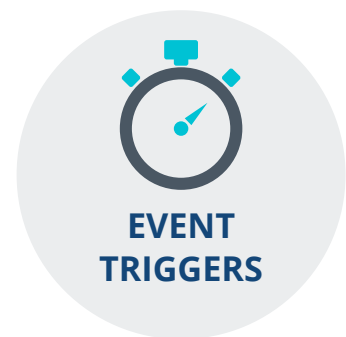


Private Fund Advisers

The SEC's private fund advisers proposal would impose new prescriptive requirements and outright bans on aspects of advisers' negotiated agreements with private fund investors. The proposal goes beyond the SEC's stated goals with prescriptive one-size-fits-all requirements that allow little flexibility for tailoring to particular facts and circumstances. We do not believe that a departure from the SEC's historical principles-based approach is warranted or that it will enhance investor protection. Instead, it would be unduly burdensome for advisers and potentially costly for investors.

Key Accomplishments

- Strongly opposed aspects of the SEC's sweeping proposal to overhaul private fund adviser regulation that makes it overly expensive or difficult to advise or invest in private funds for clients
- Met with the SEC Chair, Commissioners, and staff to explain the potential impacts of the proposed rules
- Called for modifications to proposed amendments to private fund adviser reporting to improve the reporting deadlines, event triggers, and reporting thresholds



Outsourcing

The SEC recently proposed establishing specific and broad oversight requirements for investment advisers that outsource certain functions. Our advocacy on this overreaching proposal incorporates most of our policy themes. Not only does the proposal represent a radical departure from principles-based regulation of advisers, but it is also unnecessary.

As fiduciaries, advisers are already required to oversee their service providers under the Advisers Act Compliance Rule, which allows them to tailor their oversight to their circumstances, including their business models and risks. We also object to the SEC's failure to consider the impact of this sweeping proposal on smaller advisers or the cumulative impact of its new proposals on advisory firms of all sizes.

Key Accomplishments

- Established a robust workstream and mechanism for member input to shape our comment letter on the proposal
- Engaged in dialogue with SEC staff regarding our concerns with the proposal
- Cited as the lead source in 12 media outlets regarding our concerns with the proposed rule, including *Barron's*, *InvestmentNews*, *Financial Advisor*, *Pensions & Investments*, *Financial Planning*, *ThinkAdvisor*, *WealthManagement*, *PLANADVISER*, *Ignites*, *CityWire*, *Regulatory Compliance Watch*, and *PLANSPONSOR*

BARRON'S

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Additional Regulatory Activity


Impact of SEC Regulations on Small Businesses

- 
- Educated policymakers that small businesses are the core of the investment adviser community and that smaller advisers face unique challenges
 - Advocated for tailoring/exemptions for smaller advisory firms in many specific regulatory proposals
 - Continued longstanding advocacy that regulators must holistically consider the cumulative impact of their regulations on smaller advisers
 - Called on the SEC to amend its irrational definition of small entity that excludes virtually all advisers required to register with the SEC

Fiduciary Duty

- 
- Urged the SEC and staff to recognize the fundamental differences between advisers and brokers, to alleviate investor confusion, and to support advisers' use of "fiduciary" in Form CRS
 - Pushed back on SEC Chair Gary Gensler's characterization of advisers as mere intermediaries
 - Advocated before the DOL on its fiduciary exemption and educated members on the new requirements
 - Successfully ensured that no state fiduciary duty rule to date applies to SEC-registered advisers

Proxy Voting

- 
- Successfully urged new SEC leadership to reconsider unnecessary proxy voting guidance for advisers and remove conditions from the proxy advice rules that make it more difficult for advisers to use proxy voting advisory services
 - Opposed the DOL's 2021 proxy voting rule, which makes proxy voting more onerous, including voting on ESG issues, and successfully supported a more recent proposal to clarify that advisers may consider ESG issues in proxy voting, which was incorporated into the DOL's final rule



Digital Advice

- Urged the SEC to address the various practices and concerns discussed in its Request for Information on the use of digital engagement practices within the existing principles-based framework of the Advisers Act
- Advocated that the SEC should continue to apply the same regulation to all advisers, regardless of the platform through which they provide their advice



Beneficial Ownership Reporting

- Advocated against shortening the timeframes for publicly reporting beneficial ownership to ensure sufficient time for advisers to collect the required information and prevent free riding or front-running an adviser's strategy
- Called for narrowing the proposed definition of "group" for purposes of aggregating beneficial ownership



Expanding Dealer Definition

- Opposed expansion of the definition of "dealer" in a way that could include advisers or private funds (advisers act on behalf of and for the benefit of their clients and not for their own account; it is also an ill fit to impose the dealer regulatory framework on private funds)



Shortening the Settlement Cycle

- Advocated for the compliance date for the shift to a T+1 (trade date plus one) settlement date to coincide with the shift taking place in Canada
- Called on the SEC to replace the proposed requirement of a written agreement with a requirement that investment advisers adopt policies and procedures reasonably designed to facilitate the prompt allocation, confirmation, and affirmation process
- Advocated for further action to reduce disruption in the foreign exchange markets



Legislative Advocacy

In the face of increasing policy challenges, the IAA expanded the scope and volume of our advocacy work in 2022.

Advocacy Council

Comprised of individuals at member firms, the new IAA Advocacy Council helps amplify the collective voice of investment advisers and advance the interests of their clients. The Council also helps shape programs and initiatives such as Adviser Advocacy Day, Contact Congress campaigns, and the IAA Government Relations Committee.

Members of the Council have expanded access to briefings and receive *Five for Friday*, a weekly newsletter on Capitol Hill activity affecting advisers and their clients. Members receive communications about IAA PAC and how to participate. Membership also offers valuable opportunities to engage with other industry and policy leaders.



IAA ADVISER ADVOCACY DAY

SEPTEMBER 29, 2022

Adviser Advocacy Day

On September 29, investment advisory firm leaders from 22 states participated in the IAA's Adviser Advocacy Day on Capitol Hill, focusing lawmakers' attention on the importance of enacting the SECURE Act 2.0 retirement savings legislation and eliminating the adviser anti-money laundering (AML) provisions from the National Defense Authorization Act (NDAA). Participants also raised issues involving cybersecurity, fiduciary duty, diversity, and the cumulative impact of regulation, among others.

This year's Adviser Advocacy Day was part of the IAA's Policy & Leadership Forum, where attendees heard from speakers, including SEC Chair Gary Gensler and U.S. Rep. Jim Himes (D-Conn.), a senior member of the House Financial Services Committee.

Eighty participants attended 91 meetings on Capitol Hill (43 in the Senate and 48 in the House) advocating on a range of issues affecting their firms and clients. These visits make an impact on elected officials and their staff, ensuring that our industry's voice is heard.



Retirement & Tax Legislation

The IAA is working to gain passage of SECURE Act 2.0, retirement savings legislation that has passed the House and could soon be adopted by the Senate. Among other things, the legislation would increase the age for required minimum distributions (RMDs) from 72 to 75, allow 403(b) plans to invest in collective investment trusts (CITs), and increase catch-up provisions. It is also likely to include new tax incentives for companies that offer retirement plans to employees and expand a credit for lower-income taxpayers who contribute to their retirement.

As this went to press, Congress passed retirement legislation in a bipartisan omnibus spending package. IAA members lobbied significantly for this legislation during Adviser Advocacy Day in September.



Key Accomplishments

- Successfully opposed provisions of the Build Back Better Act that would have limited the investment choices of IRA investors and changed the tax treatment of ETFs
- Strongly supported passage of the bipartisan SECURE ACT 2.0, which would increase the age for required minimum distributions from 72 to 75 and increase IRA catch-up provisions
- Built a coalition to educate policymakers about the importance of restoring and expanding the deductibility of advisory fees
- Pressed lawmakers to extend eligibility for the 20 percent “pass-through” deduction to owners of investment advisory firms
- Spoke with almost 100 members of Congress and/or Congressional staff during Adviser Advocacy Day about the IAA’s positions on these issues



Anti-Money Laundering Legislation

The IAA and its members successfully advocated removing an anti-money laundering bill that would capture investment advisers (the ENABLERS Act) in the National Defense Authorization Act (NDAA). The U.S. House of Representatives passed its version of the NDAA in July and added provisions of the ENABLERS Act to strengthen sanctions against Russian oligarchs. These provisions would have required “financial intermediaries,” including investment advisers, to (i) report suspicious activity, (ii) have a documented AML program, (iii) establish customer due diligence controls, and (iv) identify and verify their clients. If enacted, the ENABLERS Act would require the Treasury Department to issue rules to implement the Act by December 31, 2023.

An AML rule for investment advisers has been on the long-term action list of Treasury’s Financial Crimes Enforcement Network (FinCEN).

Key Accomplishments

- Worked to persuade Congress that they should refrain from imposing AML regulation on advisers whose business models or activities do not raise money laundering risks
- Worked to ensure that any AML regulation is tailored to avoid duplication of compliance efforts, as advisers are only one of a series of financial service providers interfacing with a client in connection with a new advisory engagement
- Spoke with almost 100 members of Congress and/or Congressional staff during Adviser Advocacy Day about the IAA’s position on this legislation



Additional Legislative Advocacy Activity

The IAA closely monitored and engaged with lawmakers about a broad range of other legislative matters, including cryptocurrency, diversity, protections for senior investors, the creation of a federal privacy law, cybersecurity, capital formation, and tax.

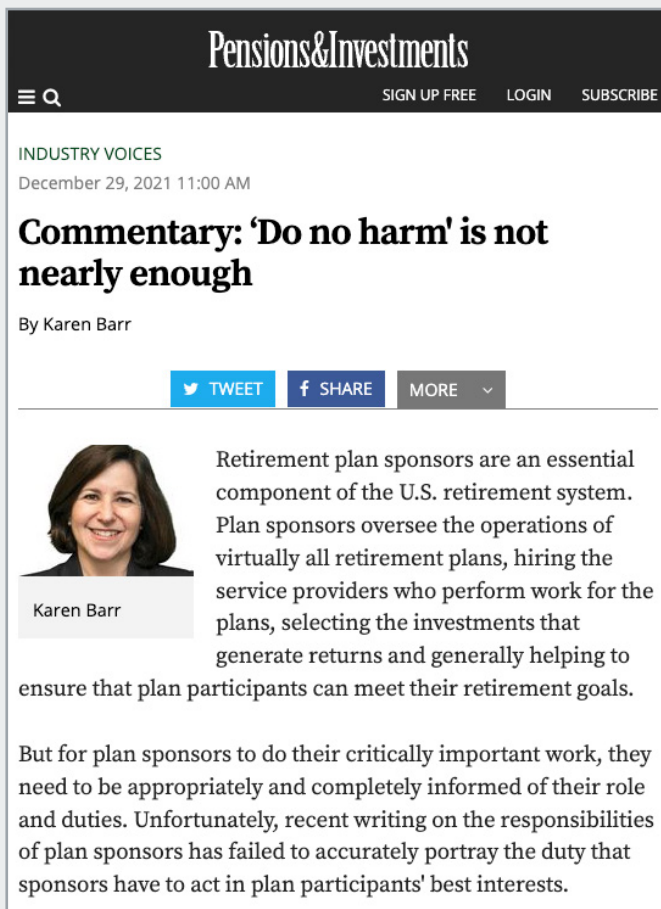


Changing the Narrative on Active Management

- Made significant progress in balancing the narrative on active and passive management in the media – and with policymakers. For example:
 - Instrumental in eliminating a provision favoring index funds from a potential retirement bill
 - Successfully lobbied against a provision limiting investor choice in the Build Back Better Act

Public Relations

Through the IAA's public relations outreach, our advocacy efforts have been shared by members of the media in 325 articles, including two op-eds in *InvestmentNews* (noted above) and an op-ed in *Pensions & Investments*, that reached a potential audience of 638 million readers.




Pensions & Investments
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INDUSTRY VOICES
December 29, 2021 11:00 AM

Commentary: 'Do no harm' is not nearly enough

By Karen Barr

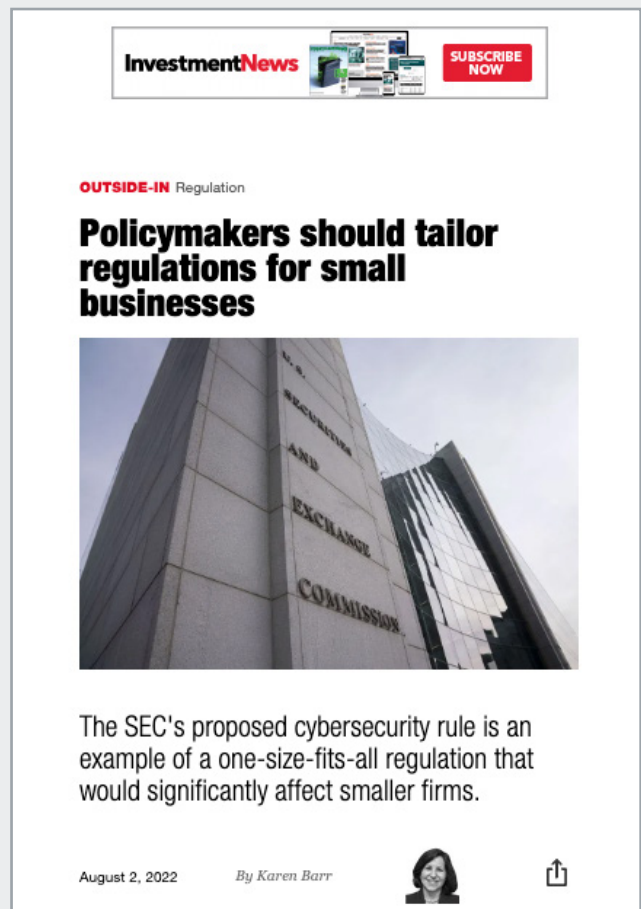
TWEET SHARE MORE



Karen Barr

Retirement plan sponsors are an essential component of the U.S. retirement system. Plan sponsors oversee the operations of virtually all retirement plans, hiring the service providers who perform work for the plans, selecting the investments that generate returns and generally helping to ensure that plan participants can meet their retirement goals.


But for plan sponsors to do their critically important work, they need to be appropriately and completely informed of their role and duties. Unfortunately, recent writing on the responsibilities of plan sponsors has failed to accurately portray the duty that sponsors have to act in plan participants' best interests.



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OUTSIDE-IN Regulation

Policymakers should tailor regulations for small businesses



The SEC's proposed cybersecurity rule is an example of a one-size-fits-all regulation that would significantly affect smaller firms.

August 2, 2022 By Karen Barr





Essential Expertise

Engagement, Information & Education

The IAA provides a valuable suite of services to keep members current on issues affecting the investment adviser profession – so they can remain competitive, serve their clients, comply with regulations, and build their businesses.

In addition to our annual Adviser Advocacy Day, Policy & Leadership Forum, Investment Adviser Compliance Conference, and compliance workshops, the IAA offers webinars, publications, online resources, and surveys covering a wide range of business practice, compliance, and regulatory issues. And we provide numerous networking opportunities through executive roundtables, regional compliance roundtables, policy and compliance committees, working groups, and online communities for members to share information, exchange ideas, and build enriching professional relationships.



Conferences and Education

The IAA has a long history of bringing member firms together for high-value programming focused on discussing important industry topics and trends and providing opportunities for peers to share best practices.

Investment Adviser Compliance Conference

The IAA's 2022 Investment Adviser Compliance Conference was held in Washington, DC in March. The conference covered a wide range of topics, including the new Marketing Rule, SEC exams, technology, diversity, equity, and inclusion (DEI), cybersecurity, digital assets, business continuity plans and remote supervision, ESG investing practices, ethics, and much more.

Attendees heard a keynote discussion between SEC Commissioner Caroline A. Crenshaw and the IAA's President & CEO, Karen Barr. SEC Division of Investment Management Director William A. Birdthistle made his first public appearance in his new role – albeit virtually! Other representatives from the SEC included Acting Director, Division of Examinations, Dan Kahl, and Adam S. Aderton and Dabney O'Riordan, at the time Co-Chiefs of the Asset Management Unit, Division of Enforcement, among others. The speaker roster comprised nearly 80 industry experts.





Policy & Leadership Forum

In the spirit of evolving our programming to meet the moment and the needs of our members, we took a fresh approach to the agenda for our signature leadership event in fall of 2022, rebranded as our Policy & Leadership Forum, with a focus on policy issues of critical importance to our membership. We also made our annual Adviser Advocacy Day discussed above a part of the event.





We gathered prominent voices in our industry and in politics who shared their insights on navigating the current forces shaping our environment, including:

- SEC Chair Gary Gensler
- Amy Walter, publisher and editor-in-chief of *The Cook Political Report with Amy Walter*
- U.S. Congressman Jim Himes (D-Conn.)
- Morgan Stanley Investment Management Chair Tom Faust
- MFS Investment Management President Carol Geremia

In addition, executives from like-sized firms met in breakout groups to share insights, concerns, and experiences, and we offered sessions on timely topics such as confronting the retirement savings gap and understanding emerging talent.



Compliance Workshops

2022 marked the 26th anniversary of the IAA's popular fall Compliance Workshops, an education program that the IAA initiated in 1997. We were thrilled to meet our members again this year at compliance workshops held both virtually and in person. The agenda concentrated solely on the new Marketing Rule to help members prepare for the implementation deadline.



Regional Compliance Roundtables

New this year, the IAA hosted five regional compliance roundtables exclusive to members. The roundtables provided an opportunity to get to know local SEC exams staff in a small group setting and offered a facilitated discussion about compliance challenges and practical ideas. About 100 members participated in the roundtables across the country.



Webinars

One of the most popular – and effective – ways for members to stay current on issues affecting investment advisers is through the IAA Webinar Series. Live and recorded webinars are free to IAA members and associate members. In 2022, the IAA presented seven webinars and briefings on legal, regulatory, and compliance topics, as well as on business topics. Almost 900 individuals from member firms attended live webinars. Recordings of all past webinars are available for IAA members free of charge on the IAA website.





Professional Development for Compliance Professionals

The IAA continues our co-sponsorship of the Investment Adviser Certified Compliance Professional (IACCP) Program and related Investment Adviser Core Compliance Program with National Regulatory Services (NRS), a ComplySci company. In 2022, 134 compliance professionals were enrolled as IACCP candidates.





Business Practices Programming

Executive Roundtable Series

The IAA's business practices programming aims to respond to member input on topics of common concern and interest that influence the successful management of their firms. Early in the year, we continued to leverage the reach offered through virtual executive roundtables – invitation-only forums for small groups of executives to build relationships and hear from subject matter experts on these timely business issues – with multiple sessions devoted to highlighting the implications of the SEC's new Marketing Rule. In spring and fall, we conducted our first in-person executive roundtables since 2019, focusing on talent – attracting, managing, developing, and retaining high-performing teams – emphasizing those in early career stages.





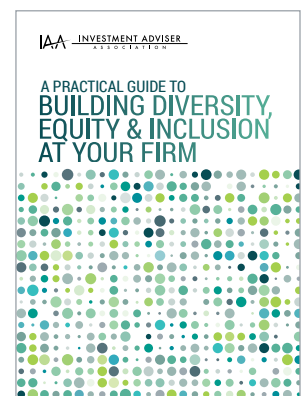
Diversity, Equity, and Inclusion Activities

The IAA's commitment to supporting members in promoting diversity, equity, and inclusion (DEI) in their firms and in our industry has never been stronger. To that end, the IAA's DEI Committee continued providing resources, engaging speakers, and sharing best practices surrounding DEI concerning training, expanding recruiting channels, and employee support.

To further our goal of improving the pipeline of diverse talent into the advisory profession, we have established a partnership with the Student Freedom Initiative (SFI), whose mission is to increase the social and economic mobility of students attending Historically Black Colleges and Universities (HBCUs) and other minority-serving institutions (MSIs). We've been working to foster direct engagement between the schools and IAA members to provide students with knowledge of our industry and a path to potential employment in it. IAA President & CEO Karen Barr presented on a panel during the Department of Education's National HBCU Week Annual Conference alongside representatives from IAA members Fidelity Investments, T. Rowe Price, Vista Equity Partners, and IAA associate member Kirkland & Ellis, highlighting the range of career opportunities in our industry.

We published the second edition of research summary [Diversity and Investment Performance](#). The updated piece further reinforces evidence that women investors, firms owned by women, and teams that include women and minorities generate investment results that are at least as good as those generated by other investors.

In the spirit of establishing a benchmark from which to measure diversity characteristics and DEI practices at IAA member firms and ultimately track the progress of our collective efforts, in late October, we distributed a DEI firm-level member survey. Results will be published early in 2023.



Investment Adviser Career Center



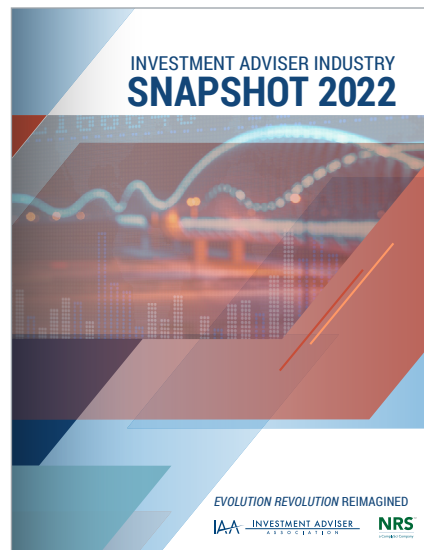
Human Resources Working Group

Member interest in convening to discuss human resources-related topics has resulted in the steady growth of our Human Resources Working Group. The group convened periodically throughout the year, with hybrid work configurations, compensation, and other talent-related matters front and center.

We were pleased to introduce the IAA's new career center, investmentjobs.org, to support members in their recruiting efforts by posting opportunities and resources to hone their hiring practices, particularly with respect to engaging with diverse candidates.

Surveys & Publications

The IAA publishes two major industry publications each year that document and track important trends in the investment adviser industry – the *Investment Adviser Industry Snapshot* and the *Investment Management Compliance Testing Survey*. Details of the findings from the latest surveys are available under State of the Industry discussed above.





Communications



IAA Today

The IAA's official newsletter, *IAA Today*, has always been a key component of our communications with members — providing comprehensive, timely information about significant legal, regulatory, and compliance developments, business practice issues, and IAA events. This year, we launched a weekly online edition of *IAA Today* to bring important news straight to members' inboxes.

Member Alerts, Updates, and Social Media

In 2022, the IAA issued timely member alerts, updates, and social media posts to inform members immediately of significant new developments, including ongoing developments related to the SEC's Standards of Conduct rulemaking, SEC exam priorities, risk alerts, and more.

The IAA's YouTube Channel offered more than 100 videos addressing compliance and business topics — including presentations by SEC officials and breakout sessions at the IAA conferences.

In 2022, we focused significantly on developing short videos to provide our members with insight on key issues, such as background on SEC proposals and legislative briefings, important information regarding member benefits, and deep dives into IAA programs, such as our DEI series. As a result, we are seeing significant traction on our LinkedIn and Twitter pages.





Crucial Conversations

Convening and Networking

The IAA creates opportunities for member engagement through our numerous committees, working groups, and forums. Many of these groups focus on regulatory, compliance, operational, or other business functions or issues and others on more specific topics, and all of them provide influential venues for members with shared interests to discuss common challenges and form relationships with their peers.

Our latest initiative is the CCO/Compliance Officer Forum, which provides members the ability to discuss compliance best practices and challenges with their peers on topics ranging from compliance program implementation to establishing and maintaining a good compliance culture, to outsourcing, consolidation, shared services agreements, preparing for and navigating an exam, and more.





Regulatory and Compliance Resources

Members look to the IAA to help them understand, implement and incorporate into their compliance programs new rules, agency guidance, risk alerts, enforcement actions, and other agency pronouncements. To this end, we develop and provide extensive resources through our committees and working groups, webinars, member calls and alerts, and educational programming.

2022 saw our full deployment of these resources as advisers geared up for compliance with the new Marketing Rule, the most significant regulatory development for investment advisers in years. Beginning November 4, advisers were required to comply fully with this new rule, which now facilitates the ability of advisers to communicate in ways that investors have come to expect in the modern era. The new rule covers all advisers – including advisers to private funds – that engage in any marketing-related activities, including via a website, social media, or through third parties.

We assisted members with their implementation efforts throughout 2022 by continuing to build a robust online resource library, presenting webinars focused on key issues, and devoting our compliance workshops and conference sessions to explaining and exploring the significant implementation challenges of the new rule. The IAA will continue to focus substantial resources on helping members maintain their compliance programs under the new Marketing Rule.

The IAA's Marketing Implementation Group, which had over 400 members in 2022, continued to provide a forum for members to

share interpretive and operational concerns and questions about the new rule. During the rule's 18-month implementation period, the "MIG" held regular weekly forum discussions for members to talk through and share how they are addressing various challenges posed by the rule. In addition, we held monthly calls with IAA associate member experts to focus on specific interpretive and implementation issues and answer questions submitted by members. We will continue to hold regular MIG meetings and field member questions to assist members as they continue to implement and refine their compliance programs.

Through member calls and engagement, the IAA identified areas where additional guidance or clarification from SEC staff would be helpful for members. We have engaged with SEC staff on these and other implementation issues on behalf of members and will continue to do so.

Key Accomplishments

- Successfully advocated for modernizing the advertising rule so advisers are now able to present themselves to the public in the same ways that other financial services firms do and that investors have come to expect
- Developed a dedicated Marketing Rule Resource Page
- Provided regular expert insights on interpretive issues to our Marketing Implementation Group, which convened a weekly forum for members to share operational concerns

PARTNERS

The IAA established a Strategic Partnership program this year, giving our Partners opportunities to connect with IAA members through multiple channels over the course of the year. We welcomed ACA Group and SS&C Advent as Strategic Partners and worked closely with them to enhance programming and services for our membership. Additionally, the IAA is proud to recognize National Regulatory Services (NRS) and the Digital Assets Council of Financial Professionals (DACFP) for their participation as Educational Partners in 2022.

Strategic Partners



Educational Partners



Sponsors



To learn about how you can partner with the IAA please contact IAA Manager, Marketing & Partnerships
Alex Ioannidis at alex.ioannidis@investmentadviser.org.

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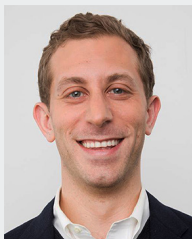


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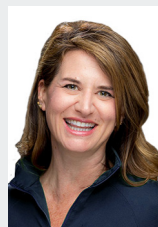
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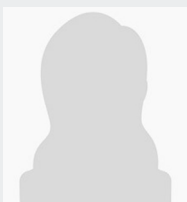
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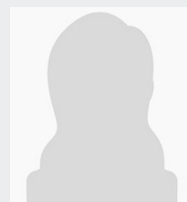
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