1 **State of Arkansas**

2 **79th General Assembly** # A Bill

3 **Regular Session, 1993** **SENATE BILL**

4 **By: Senator Bradford**

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7 ## For An Act To Be Entitled

8   "AN ACT TO AMEND ARKANSAS CODE ANNOTATED §23-42-307(b)(1)

9   TO ALLOW REGISTERED INVESTMENT ADVISERS TO RECEIVE

10   PERFORMANCE OR INCENTIVE FEES FROM CLIENTS IN LIMITED

11   CIRCUMSTANCES; AND FOR OTHER PURPOSES."

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13 ## Subtitle

14   "AN ACT TO ALLOW REGISTERED INVESTMENT ADVISERS TO RECEIVE

15   PERFORMANCE OR INCENTIVE FEES FROM CLIENTS IN LIMITED

16   CIRCUMSTANCES."

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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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20   SECTION 1. Arkansas Code Annotated 23-42-307(b)(1) is amended to read

21 as follows:

22   "(1) Except as may be permitted by rule or order of the Commissioner,

23 that the investment adviser shall not be compensated on the basis of a share

24 of capital gains upon or capital appreciation of the funds or any portion of

25 the funds of the client. This subdivision does not prohibit an investment

26 advisory contract which provides for compensation based upon the total value

27 of a fund averaged over a definite period, or as of definite dates, or taken

28 as of a definite date."

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30   SECTION 2. All provisions of this act of a general and permanent nature

31 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code

32 Revision Commission shall incorporate the same in the Code.

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34   SECTION 3. If any provision of this act or the application thereof to

35 any person or circumstance is held invalid, such invalidity shall not affect

1 other provisions or applications of the act which can be given effect without

2 the invalid provision or application, and to this end the provisions of this

3 act are declared to be severable.

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5　　　SECTION 4.　All laws and parts of laws in conflict with this act are

6 hereby repealed.

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