**Section 130.836 Hardship Exemption**

a) Temporary hardship exemption.

1) Investment advisers registered or required to be registered under the Act who experience unanticipated technical difficulties that prevent submission of an electronic filing to IARD may request a temporary hardship exemption from the requirements to file electronically.

2) To apply for a temporary hardship exemption, the investment adviser shall file a written request utilizing Form ADV-H with the securities administrator in the state where the investment adviser's principal place of business is located. The request shall be submitted in a form approved by the securities administrator, and it shall be filed no later than one business day after the due date for the filing that is the subject of the request. The investment adviser shall also submit the filing that is the subject of the request in electronic format to IARD no later than seven business days after the filing was due.

3) If the request is in proper form, the temporary hardship exemption shall be deemed effective upon receipt by the securities administrator. Multiple temporary hardship exemption requests within the same calendar year may be disallowed by the Securities Department.

b) Continuing hardship exemption.

1) A continuing hardship exemption shall be granted only if the investment adviser is able to demonstrate that the electronic filing requirements of this regulation are prohibitively burdensome.

2) To apply for a continuing hardship exemption, the investment adviser shall file a written request utilizing Form ADV-H with the securities administrator in the state where the investment adviser's principal place of business is located. The request shall be submitted in a form approved by the securities commissioner, and it shall be filed no later than 20 business days before the due date for the filing that is the subject of the request. If the investment adviser's principal place of business is located in Illinois, the request shall be either granted or denied by the Securities Department within 10 business days after the filing of the request.

3) The exemption shall be effective upon approval by the securities administrator in the state where the investment adviser's principal place of business is located. The time period of the exemption shall be no longer than one year after the date on which the request is filed. If the securities administrator approves the request, the investment adviser shall, no later than five business days after the exemption approval date, submit filings to the IARD in paper form, along with the appropriate processing fees, for the period of time for which the exemption is granted.

c) The decision to grant or deny a request for a hardship exemption shall be made by the securities administrator in the state where the investment adviser's principal place of business is located, and the decision shall be adhered to by the Securities Department.

(Source: Added at 26 Ill. Reg. 14843, effective September 30, 2002)