



CONSTELLATION
ADVISERS, LLC

SEC'S PLAN OF OPERATIONS DURING THE GOVERNMENT SHUTDOWN

REGULATORY NOTICE: 19-02

The U.S. Securities and Exchange Commission ("SEC") has issued a plan for operating during a lapse in appropriations resulting in a government shutdown. Due to the protracted duration of the shutdown, several upcoming filing deadlines, and the continuation of normal business operations of most registered investment advisers, we are providing a summary of the major SEC functions that will continue during the shutdown that may be helpful for clients to know. To read the full text of the SEC's release, please click [here](#).

The Antideficiency Act (31 USC §1341, et. seq.) restricts the conduct of business by agencies during a lapse in appropriations. The restrictions generally prohibit agency heads and their employees from engaging in certain activities. Nevertheless, in the absence of an annual appropriations bill or continuing resolution, certain activities have been designated as "excepted" functions. Therefore, SEC functions or activities that satisfy any of the following criteria are authorized for continuation:

- Have a continued source of funding;
- Expressly authorized by Congress to continue even without funding;
- Necessary to prevent an imminent and significant threat to the safety of human life or the protection of property;
- Necessary for the discharge of the President's constitutional duties; and
- Necessary for a short period in order to ensure an orderly shutdown of operations

Major Functions to be Continued During the Shutdown

From those broad categories, the SEC has identified the following activities and functions, among others, that will continue in some manner during the shutdown.

A. Edgar and Filer Support

- SEC personnel will be available to: (1) process EDGAR access codes and password resets; (2) answer questions regarding fee-bearing filings; and (3) answer emergency questions regarding EDGAR submissions.

B. IARD

- IARD will remain fully functional and will continue to accept filings. But the SEC will be unable to approve applications for registration submitted by investment advisers.

C. Divisions of Corporation Finance, Investment Management, and Trading and Markets, and the Office of Compliance Inspections and Examinations (“OCIE”)

- Will be unable to process filings, provide interpretive advice, issue no-action letters, or conduct any other normal activities.
- New or pending registration statements or applications for exemptive relief will not be processed regardless of the status of any review of those filings.

D. CRD and Transfer

- The CRD system will remain fully functional and continue to accept filings. But the SEC will not be able to review pending filings, consider new or pending applications or registrations, provide interpretive advice, or issue no-action letters, nor will the staff be available to conduct any other normal activities.

E. Mail Delivery

- A limited number of staff will be on duty to process incoming mail, but there will be delays in processing and delivery to Commission staff.

F. Market Monitoring and Surveillance

- The SEC will perform market watch activities, monitor market technology operations, report any broker-dealers in financial distress, and monitor any international market developments that might impact the U.S.

TAKE ACTION!

Clients Should:

- Continue to make timely filings and submissions to the SEC.
- Consider filing requests for guidance, questions, or communications with the Staff as though there was no shutdown. It is likely that each division and office has designated essential staff to address communications from the public, as appropriate. In addition, even if the Staff does not respond during the shutdown, it is likely they will address all communications after the shutdown ends.
- If under examination, be prepared to resume the examination immediately upon the SEC reopening.

Contact a member of Constellation’s compliance team for any assistance that you may need.

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