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SECURITIES AND EXCHANGE COMMISSION

[Release No. IA-5504]

Intention to Cancel Registration Pursuant to Section 203(H) of the Investment Advisers Act of 1940
May 18, 2020.

Notice is given that the Securities and Exchange Commission (the “Commission”) intends to issue an order, pursuant to Section 203(h) of the Investment Advisers Act of 1940 (the “Act”), cancelling the registration of Strategic Options, LLC [File No. 801-106576], hereinafter referred to as the “registrant.”

Section 203(h) provides, in pertinent part, that if the Commission finds that any person registered under Section 203, or who has pending an application for registration filed under that section, is no longer in existence, is not engaged in business as an investment adviser, or is prohibited from registering as an investment adviser under section 203A, the Commission shall by order, cancel the registration of such person.

The registrant indicated on its initial and its most recent Form ADV filings that it is relying on rule 203A-2(e) to register with the Commission, which provides an exemption from the prohibition on registration for an adviser that provides investment advice to all of its clients exclusively through the adviser’s interactive website, except that the adviser may advise fewer than 15 clients through other means during the preceding 12 months.¹ The Commission believes,

¹ Section 203A of the Act generally prohibits an investment adviser from registering with the Commission unless it meets certain requirements. Rule 203A-2 provides exemptions from the

based on the facts it has, that the registrant did not at the time of the Form ADV filings and thereafter, advise clients through an interactive website as defined under the rule², and that it is therefore prohibited from registering as an investment adviser under section 203A of the Act. Accordingly, the Commission believes that reasonable grounds exist for a finding that this registrant is no longer eligible to be registered with the Commission as an investment adviser and that the registration should be cancelled pursuant to section 203(h) of the Act.

Notice is also given that any interested person may, by June 12, 2020, at 5:30 P.M., submit to the Commission in writing a request for a hearing on the cancellation, accompanied by a statement as to the nature of his or her interest, the reason for such request, and the issues, if any, of fact or law proposed to be controverted, and he or she may request that he or she be notified if the Commission should order a hearing thereon. Any such communication should be e-mailed to the Commission's Secretary at Secretarys-Office@sec.gov.

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prohibition on Commission registration in section 203A of the Act. Rule 203A-2(e) exempts from the prohibition on Commission registration certain investment advisers that provide advisory services through the Internet, as described above. *See Exemption for Certain Investment Advisers Operating Through the Internet*, Investment Advisers Act Release No. 2091 (December 12, 2002), *available at* <https://www.sec.gov/rules/final/ia-2091.htm> ("Internet Adviser Exemption Adopting Release"). Effective September 19, 2011, rule 203A-2(f) was renumbered as rule 203A-2(e). *See Rules Implementing Amendments to the Investment Advisers Act of 1940*, Investment Advisers Act Release No. 3221 (June 22, 2011), *available at* <http://www.sec.gov/rules/final/2011/ia-3221.pdf>.

² Rule 203A-2(e) defines "interactive website" as a website in which computer software-based models or applications provide investment advice to clients based on personal information provided by each client through the website. An adviser relying on the exemption may not use its advisory personnel to elaborate or expand upon the investment advice provided by its interactive website, or otherwise provide investment advice to its Internet clients, except as permitted by the rule's de minimis exception. Such exception permits an adviser relying on the rule to advise clients through means other than its interactive website, so long as the adviser had fewer than 15 of these non-Internet clients during the preceding 12 months. *See Internet Adviser Exemption Adopting Release, id.*

At any time after June 12, 2020, the Commission may issue an order cancelling the registration, upon the basis of the information stated above, unless an order for a hearing on the cancellation shall be issued upon request or upon the Commission's own motion. Persons who requested a hearing, or who requested to be advised as to whether a hearing is ordered, will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof. Any adviser whose registration is cancelled under delegated authority may appeal that decision directly to the Commission in accordance with rules 430 and 431 of the Commission's rules of practice (17 CFR 201.430 and 431).

ADDRESSES: The Commission: Secretarys-Office@sec.gov.

FOR FURTHER INFORMATION CONTACT: Juliet Han, Senior Counsel at 202-551-6999; SEC, Division of Investment Management, Investment Adviser Regulation Office, 100 F Street, NE, Washington, DC 20549-8549.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.³

J. Matthew DeLesDernier,
Assistant Secretary.

³ 17 CFR 200.30-5(e)(2).

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