

**AGENDA  
FINANCIAL SERVICES COMMISSION  
OFFICE OF FINANCIAL REGULATION**

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**August 2, 2016**

**MEMBERS**

Governor Rick Scott Attorney  
General Pam Bondi  
Chief Financial Officer Jeff Atwater  
Commissioner Adam Putnam

**Contact: Jamie Mongiovi**  
**Director of Communications & Governmental Relations (OFR)**  
**(850) 410-9601**

9:00 A.M.  
LL-03, The Capitol  
Tallahassee, Florida

**Meredith Hinshelwood**  
**Deputy Director of Governmental Relations (OFR)**  
**(850) 410-9601**

<b>ITEM</b>	<b>SUBJECT</b>	<b>RECOMMENDATION</b>
1.	The OFR respectfully requests approval of the minutes of the March 29, 2016, and May 10, 2016, meetings.  <b>(ATTACHMENT 1)</b>	<b>FOR APPROVAL</b>
2.	<b>Financial Institutions:</b> The OFR respectfully requests approval for final adoption of Rule 69U-140.002, F.A.C., which provides application forms for international banking corporations and international trust companies seeking to establish offices in Florida.  <b>(ATTACHMENT 2)</b>	<b>APPROVAL FOR FINAL ADOPTION</b>
3.	<b>Consumer Finance:</b> The OFR respectfully requests approval to publish Notices of Proposed Rule to amend Rules 69V-40.0312 and 69V-40.0313, F.A.C., relating to mortgage loan originators, and to amend Rule 69V-180.070, F.A.C., relating to consumer collection agencies.  Amended Rules: <ul style="list-style-type: none"><li>• Rule 69V-40.0312 Application Procedure for Loan Originator License</li><li>• Rule 69V-40.0313 Loan Originator License Renewal and Reactivation</li><li>• Rule 69V-180.070 Consumer Collection Agency Registration Renewal</li></ul> <b>(ATTACHMENT 3)</b>	<b>APPROVAL TO PUBLISH NOTICES OF PROPOSED RULE</b>
4.	<b>Securities:</b> The OFR respectfully requests approval to publish Notices of Proposed Rule to amend Rules 69W-200.001, 69W-500.011, 69W-600.012, 69W-600.013, 69W-600.0131, 69W-600.014, 69W-700.010, and 69W-1000.001, F.A.C., relating to the regulation of securities.	

Amended Rules:

- 69W-200.001 Definitions
- 69W-500.011 Registration of Issuer Under Section 517.061(11), F.S., as Dealer
- 69W-600.012 Rules of Conduct
- 69W-600.013 Prohibited Business Practices for Dealers and Their Associated Persons
- 69W-600.0131 Prohibited Business Practices for Investment Advisers and Their Associated Persons
- 69W-600.014 Books and Records Requirements
- 69W-700.010 Preferred Stock or Debt Securities
- 69W-1000.001 Disciplinary Guidelines

**(ATTACHMENT 4)**

**APPROVAL TO PUBLISH NOTICES OF PROPOSED RULE**

5. **Follow-up on Leadership Assessment from May 10, 2016, Cabinet Meeting**

6. **OFR Legislative Agenda**

**(ATTACHMENT 5)**

# ATTACHMENT 1

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STATE OF FLORIDA

IN RE: MEETING OF THE GOVERNOR AND  
CABINET

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**VOLUME 1**

CABINET MEMBERS: GOVERNOR RICK SCOTT  
ATTORNEY GENERAL PAM BONDI  
CHIEF FINANCIAL OFFICER  
JEFF ATWATER  
COMMISSIONER OF AGRICULTURE  
ADAM PUTNAM

DATE: TUESDAY, MARCH 29, 2016

LOCATION: CABINET MEETING ROOM  
LOWER LEVEL, THE CAPITOL  
TALLAHASSEE, FLORIDA

REPORTED BY: NANCY S. METZKE, RPR, FPR  
COURT REPORTER

**C & N REPORTERS**  
**POST OFFICE BOX 3093**  
**TALLAHASSEE, FLORIDA 32315-3093**  
**(850) 697-8314 / FAX (850) 697-8715**  
**nancy@metzke.com**  
**candnreporters.com**

## INDEX

	PAGE NO.
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
	<b>OFFICE OF FINANCIAL REGULATION</b>
	By Commissioner Breakspear
	5
	<b>DEPARTMENT OF VETERANS AFFAIRS</b>
	By Director Prendergast
	9
	<b>DIVISION OF BOND FINANCE</b>
	By Director Watkins
	32
	<b>STATE BOARD OF ADMINISTRATION</b>
	By Executive Director Williams
	35
	<b>ADMINISTRATION COMMISSION</b>
	By Director Kruse
	59
	<b>BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST FUND</b>
	By Mr. Clark
	93
	<b>POWER PLANT SITING BOARD</b>
	By Mr. Clark
	117
	<b>CLEMENCY BOARD CLARIFICATION OF COMMUTATION OF CARLOS DELGADO</b>
	187
	<b>INTERVIEW AND APPOINTMENT FOR DEPARTMENT OF REVENUE EXECUTIVE DIRECTOR</b>
	Robert McKee
	215
	James Evers
	226
	James Overton
	234
	Leon Biegalski
	241

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

INDEX CONTINUING

PAGE NO.

**INTERVIEW AND APPOINTMENT FOR THE  
OFFICE OF INSURANCE REGULATION  
COMMISSIONER**

Jeffrey Bragg 258

Bill Hager 280

\* \* \* \*

P R O C E E D I N G S

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
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GOVERNOR SCOTT: Welcome to the March 29th  
Cabinet meeting.

To begin our meeting, I would like to welcome  
Michaela Bowling to lead this morning's invocation.

Please remain standing after the invocation  
for the Pledge of Allegiance led by the PACE Center  
for Girls, followed by the singing of the  
National Anthem by Grace Sams.

\* \* \* \*

**OFFICE OF FINANCIAL REGULATION**

1  
2  
3 GOVERNOR SCOTT: Next I would like to  
4 recognize Drew Breakspear with the Office of  
5 Financial Regulation.

6 Good morning, Drew.

7 COMMISSIONER BREAKSPEAR: Good morning,  
8 Governor Scott, Attorney General Bondi,  
9 CFO Atwater, and Commissioner Putnam.

10 The OFR has three items on the agenda today.  
11 Agenda Item Number 1, the OFR respectfully requests  
12 approval of the minutes of the September 29th;  
13 October 27th; November 10th; and December 8th,  
14 2015, meetings of the Financial Services  
15 Commission.

16 GOVERNOR SCOTT: Is there a motion on the  
17 items?

18 ATTORNEY GENERAL BONDI: So move.

19 GOVERNOR SCOTT: Is there a second?

20 CFO ATWATER: Second.

21 GOVERNOR SCOTT: Any comments or objections?

22 (NO RESPONSE).

23 GOVERNOR SCOTT: Hearing none, the motion  
24 carries.

25 COMMISSIONER BREAKSPEAR: Agenda Item



1 Number 2, the OFR respectfully requests approval of  
2 the notice of proposed rule for Rule 69U-140.002,  
3 FAC, which relates to the applications for  
4 licensure of various international entities to  
5 establish offices in Florida.

6 GOVERNOR SCOTT: Is there a motion on the  
7 item?

8 ATTORNEY GENERAL BONDI: So moved.

9 GOVERNOR SCOTT: Is there a second?

10 CFO ATWATER: Second.

11 GOVERNOR SCOTT: Any comments or objections?

12 (NO RESPONSE).

13 GOVERNOR SCOTT: Hearing none, the motion  
14 carries.

15 COMMISSIONER BREAKSPEAR: Agenda Item Number 3  
16 is a presentation of the Agency's 2015/16 second  
17 quarter report to the Financial Services Commission  
18 covering the time period of October the 1st through  
19 December 31st, 2015. There are a couple of items  
20 that I would like to highlight regarding the OFR's  
21 quarter two report:

22 Measures 1 to 5 and Measure 7 are consistent  
23 with quarter one and continue to reflect a score of  
24 five.

25 Measures 6 and 8 have improved compared to

1 quarter one. Measure 6 in the Division of Consumer  
2 Finance, the average number of days to approve  
3 mortgage lender licenses improved from 30 days to  
4 25 days, increasing the OFR's score from four to  
5 five.

6 Measure 8 in the Division of Securities, the  
7 average number of days to issue deficiency letters  
8 to investment advisor applicants improved from  
9 13 days to 11 days. The score for this measure is  
10 holding steady at three. The range for a three is  
11 11 to 13 days.

12 Are there any questions regarding the second  
13 quarter report?

14 GOVERNOR SCOTT: Is there a motion to accept  
15 the report?

16 COMMISSIONER PUTNAM: So moved.

17 GOVERNOR SCOTT: Is there a second?

18 ATTORNEY GENERAL BONDI: Second.

19 CFO ATWATER: Second.

20 GOVERNOR SCOTT: Any comments or objections?

21 (NO RESPONSE).

22 GOVERNOR SCOTT: Hearing none, the motion  
23 carries.

24 Thank you, Drew.

25 COMMISSIONER BREAKSPEAR: I look forward to

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presenting our annual results at the May 10th  
meeting. Thank you very much.

GOVERNOR SCOTT: Thanks, Drew.

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ATTORNEY GENERAL PAM BONDI  
CHIEF FINANCIAL OFFICER JEFF  
ATWATER  
COMMISSIONER OF AGRICULTURE  
ADAM PUTNAM

DATE: TUESDAY, MAY 10, 2016

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**nancy@metzke.com**  
**candnreporters.com**

**INDEX**

**PAGE NO.**

**Appointment - Commission on  
Offender Review Commissioner**

Cynthia Swier	4
Lori Vancamp	10
David Wyant	18
	58

**Highway Safety and Motor Vehicles**  
By Director Rhodes

25

**Office of Financial Regulation**  
By Commissioner Breakspear

30

**Department of Revenue**  
By Director Biegalski

61

**Administration Commission**  
By Mr. Kruse

66

**Florida Land and Water  
Adjudicatory Commission**  
By Mr. Kruse

72

**Board of Trustees of the Internal  
Improvement Trust Fund**

By Mr. Karels 77

**Division of Bond Finance**  
By Director Watkins

86

**University of North Florida**  
By Director Watkins

93

**State Board of Administration**  
By Director Williams

114

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**OFFICE OF FINANCIAL REGULATION**

1  
2  
3 GOVERNOR SCOTT: Next I'd like to recognize  
4 Drew Breakspear with the Office of Financial  
5 Regulation.

6 Good morning.

7 COMMISSIONER BREAKSPEAR: Good morning,  
8 Governor Scott, CFO Atwater, Attorney General  
9 Bondi, and Commissioner Putnam.

10 It's a pleasure to come before you today to  
11 talk about some of the great things we're doing at  
12 the Office of Financial Regulation. I want you to  
13 know how much I appreciate the opportunity to  
14 highlight our successes over the past year, discuss  
15 areas where adjustments may be needed, and areas we  
16 plan to address moving forward.

17 My staff provided you with the trend snapshot  
18 of our performance results. As the Financial  
19 Services Commission suggested at the beginning of  
20 the process, we have included each quarter and the  
21 annual outcomes. During my presentation, I will  
22 take you through the annual report of agency  
23 measures, questions, and talk about my plans for  
24 the Agency moving forward.

25 I welcome your feedback during the

1 presentation, so please don't hesitate to stop me  
2 if you have any questions.

3 In terms of the annual report and agency  
4 measures, we've accomplished a lot in the past  
5 year. We have been monitoring the OFR's  
6 performance measures for the Financial Service  
7 Commission every step of the way. The OFR's  
8 performance measure trends have fluctuated  
9 throughout the year, but the Agency consistently  
10 exceeded expectations, achieving a comprehensive  
11 annual rating of 3.75.

12 I would like to highlight Measure 5, which is  
13 the average number of days to approve a license.  
14 One of the ways the OFR supports the Governor's  
15 Let's Get to Work initiative is by continuing to be  
16 incredibly efficient, approving a license in an  
17 annual average of five days. This helps the  
18 applicants get to work faster, allows businesses to  
19 grow and hire more people.

20 The OFR has approved more than 62,000 licenses  
21 since July of 2015. So we're focused on helping  
22 these individuals and businesses get licensed to  
23 work in Florida. The measures with the most  
24 fluctuation throughout the year were Measures 6 and  
25 8; however, I'm happy to report that both of these

1 measures steadily improved during the year with  
2 more focus placed on these areas.

3 As you can see in Measure 6, which is the  
4 average days to approve a mortgage lender license,  
5 we've increased efficiency and reduced the average  
6 from 54 days to 20 days. This represents a  
7 decrease of more than 60% during the course of the  
8 year. Our final annual average in this area is  
9 32 days.

10 Measure 8, which is the average days to issue  
11 a deficiency letter to investment advisor  
12 applicants has also steadily decreased from 21 days  
13 to 11 days. This represents a decrease of 8%  
14 during the year. Our final average in the area is  
15 14 days.

16 I'm very proud of our annual outcomes, and I  
17 believe they're a reflection of the team work,  
18 national focus, and dedication. The remaining  
19 performance measures in the OFR's annual report  
20 were consistently high performing throughout the  
21 year maintaining a top score of five. The  
22 improvements that we achieved are another step  
23 towards increased Agency efficiency, improving  
24 taxpayer value, and helping our applicants achieve  
25 licensure rapidly so that people in business can



1 get to work quickly.

2 There are a couple of suggestions I would like  
3 to make regarding our performance measures which  
4 I'll make towards the end of the presentation.

5 In terms of the subjective leadership  
6 assessment questions, there are several items I've  
7 identified in my subjective leadership assessment  
8 responses that I would like to address today.  
9 These thoughtful questions are important for any  
10 leader to ask themselves, and I appreciate the  
11 opportunity to highlight my responses.

12 You watched how I define success at the Office  
13 of Financial Regulation. As Commissioner, I  
14 believe the Agency exemplifies success through  
15 smart, efficient, and effective regulation of the  
16 financial services industry, and by protecting  
17 consumers. Success is demonstrated in both  
18 measurable and nonmeasurable ways. A measurable  
19 example includes the efficiency of the Agency's  
20 licensing process, such as the average days to  
21 approve a license.

22 Swift licensing is a phenomenal success when  
23 you consider comprehensive application evaluation  
24 performed by the OFR. And as I stated earlier, the  
25 fact that the Agency has approved more than

1 62,000 applications in the fiscal year to date,  
2 this helps our applicants get to work faster and  
3 allows businesses to grow and provide services to  
4 the people of Florida.

5 We support the outreach efforts of  
6 Commissioner Putnam and CFO Atwater and the  
7 diligent work to raise consumer awareness. The OFR  
8 has similarly issued more than 30 consumer alerts  
9 in the past two years, covering topics of utmost  
10 importance to Floridians.

11 Example of the OFR's successes include  
12 business-friendly industry outreach and consumer  
13 outreach. We strive to align communications  
14 outreach with relevant efforts and events and  
15 topics and Agency priorities, such as the passage  
16 of the equity crowdfunding legislation, and the  
17 launch of the check-cashing database, as well as  
18 financial literacy.

19 My responses to the subjective leadership  
20 assessment questions also spotlight the invaluable  
21 services we provide to Floridians. These services  
22 include consumer protection, customer service, and  
23 complaint resolution.

24 Within the areas of consumer protection, there  
25 is no absolute quantifiable measurement of cost

1 savings to the consumer. For example, the OFR's  
2 early takedown of an investment fraud or  
3 Ponzi scheme provides an incalculable benefit to  
4 many Floridians who might have otherwise been  
5 harmed by the scheme. Saving one person from  
6 losing their life savings is not necessarily  
7 measurable but is a huge success.

8 A little noted function at the OFR is our  
9 Bureau of Financial Investigations. When  
10 examinations conducted by divisions or complaints  
11 by consumers raise a potential concern of criminal  
12 or fraudulent activity, the Bureau begins an  
13 investigation.

14 At any point in time, 200 plus investigations  
15 are underway. Once a case is developed, we have to  
16 convince a prosecutor to take it. In 2014/'15,  
17 31 criminal cases developed by the OFR resulted in  
18 30 defendants being convicted and 20 receiving  
19 prison terms totaling 142 years. We thank our  
20 prosecution partners for their assistance,  
21 including the Attorney General's Office of  
22 Statewide Prosecution.

23 In the realm of customer service and complaint  
24 resolution, the OFR's prompt, courteous service to  
25 applicants and licensees is priceless. The OFR's

1 dedicated team performs industry and consumer  
2 outreach on a regular basis, which includes  
3 conversations regarding trends and common  
4 violations derived from examination and application  
5 processes. These important discussions nurture the  
6 relationship with those who regulate, and outreach  
7 activities maintain open lines of communication  
8 with Florida's businesses and professionals.

9 Within the leadership assessment, I discuss  
10 the short-term and long-term priorities that I have  
11 for the Agency, as well as the ongoing and upcoming  
12 challenges we face. This year the short-term  
13 priorities that I highlighted include the  
14 successful rollout of crowdfunding and the  
15 check-cashing database. In 2015, Florida  
16 legislation was passed creating equity  
17 crowdfunding.

18 Our efforts regarding crowdfunding are  
19 important because this relatively new fundraising  
20 tool has created a vehicle for small businesses to  
21 raise capital, grow, and create jobs. The OFR has  
22 finalized rulemaking and updated our online  
23 licensing portal to accommodate this program.

24 The check-cashing database was successfully  
25 launched on September the 3rd, 2015. Florida now

1 requires licensed check-cashing businesses to enter  
2 into the check-cashing database any check cashed  
3 over \$1,000 or a daily aggregated amount of more  
4 than a thousand in checks cashed by a single  
5 person.

6 The database is providing new intelligence as  
7 we continue to mine the data which will help the  
8 Agency target fraudulent trends and identify  
9 entities that need to be examined immediately  
10 rather than on a normal scheduled basis. This  
11 valuable information will benefit the OFR's  
12 fraud-fighting efforts, as well as partner agencies  
13 in law enforcement.

14 We have already had great interest from other  
15 agencies. The Financial Crimes Enforcement  
16 Network, FinCEN, from the Federal Government will  
17 receive multiple presentations on the database,  
18 including a Bank Secrecy Act advisory group  
19 presentation review.

20 Additionally, we partner with CFO Atwater's  
21 Division of Insurance Fraud, which uses the  
22 database as a valuable tool to combat workers'  
23 compensation fraud.

24 With respect to my long-term priorities, I  
25 look forward to continuing to improve the

1 efficiency and effectiveness of the Agency as a  
2 whole through initiatives, such as increasing our  
3 preparedness for fluctuations in the financial  
4 services industry and ensuring that OFR has the  
5 skill set necessary to handle the industry's  
6 increasingly robust technology systems and  
7 cyber security issues as they arise.

8 Additionally, monitoring, merging, and virtual  
9 payment systems is a long-term priority. As the  
10 world continues to transition into an on-line  
11 payment realm, the OFR needs to ensure we keep pace  
12 and address changes to statutes and rules as  
13 needed.

14 I've continued to champion the Agency's  
15 involvement in the Conference of State Bank  
16 Supervisors Emerging Payments Task Force. Launched  
17 in 2014, this group of nine commissioners,  
18 including Florida, is studying changes in payment  
19 systems, mobile banking, virtual currency, Fintech,  
20 shadow banking, et cetera, to determine the  
21 potential impact on consumer protection, state law,  
22 banks, and nonbank entities that are chartered or  
23 licensed by the State. It is my goal to continue  
24 advancing emerging payments conversation on behalf  
25 of Florida.

1           As I mentioned in the leadership assessment,  
2 we continue to monitor and measure our progress on  
3 these priority areas and keep each of you apprised  
4 of updates through the Financial Services  
5 Commission quarterly reporting process. A theme  
6 that is consistent throughout my response is the  
7 ongoing challenge to hire, train, and most  
8 importantly, retain highly qualified staff.

9           It takes an average examiner two to  
10 three years to become proficient in the respective  
11 area the OFR oversees. The Agency is finding it  
12 difficult to retain staff beyond the normal  
13 training timeline. This presents an incredible  
14 challenge as we are in the constant process of  
15 hiring and training new employees.

16           Our employees work in a highly specialized  
17 area which requires certain technical skill sets,  
18 industry knowledge, and significant training. New  
19 employees cannot walk through the door of our  
20 Agency and review loan portfolios, perform  
21 suitability analyses, understand the mortgage  
22 business, or delve into forensic accounting without  
23 the appropriate on-the-job training.

24           We need employees that have a unique  
25 combination of critical and analytic expertise,

1 plus excellent communication skills. We are  
2 seeking employees who can leverage business  
3 knowledge of the financial service industry and  
4 communicate effectively with their peers and OFR  
5 customers. Additionally, we have a minimum  
6 threshold of finance and accounting college degrees  
7 which play a large role in our selection process.

8 The skill sets gained by employees who work  
9 for the OFR are attractive to both the private  
10 sector and the Federal Government. Salaries in  
11 those sectors pay substantially more than the OFR.

12 Additionally, the U.S. Department of Labor's  
13 2014 statistics reflect the average worker remains  
14 at their employment approximately four and a half  
15 years. Given that we -- it takes two to three to  
16 train, we do not get a lot.

17 According to recent news reports, the  
18 expectations of those entering the workforce has  
19 changed. Newly hired Millennials will have many  
20 more jobs by the time they are 30 than has been the  
21 historic norm, and job hoping is commonplace.  
22 Research suggests that today's new hires lack some  
23 of the soft skills, such as ability to communicate  
24 effectively and work as a team. These are all  
25 critical components of success at the OFR.



1           While I understand turnover is not unique to  
2 state government, I strongly believe this new  
3 generation of workers has different expectations,  
4 and I want to be able to address the needs of our  
5 most experienced OFR staff, as well as those who  
6 are new to the Agency.

7           What we are doing about it, the OFR launched  
8 the first ever employee-engagement survey to learn  
9 more about our employees on the job and the level  
10 of engagement with our managers. We just wrapped  
11 up the survey, and the initial results suggest that  
12 70% of OFR employees who responded to the survey  
13 feel engaged and involved with their managers.

14           Additionally, we conduct exit interviews to  
15 elicit more information. We believe that the  
16 information collected from the survey will help  
17 informed decisionmaking with regard to additional  
18 employee mentoring and training programs, allowing  
19 us to continue exploring new ways to improve  
20 employee retention.

21           The OFR is also implementing staff-training  
22 engagement programs to increase our ability to  
23 hire, train, and retain qualified staff. I've  
24 worked with the Agency's leadership team to  
25 allocate additional resources toward training

1 efforts, including hiring internal, dedicated  
2 trainers that can provide consistent and timely  
3 responses to the Agency's training needs.

4 The team is developing online training tools  
5 that can be enabled on demand for a given training  
6 topic. One excellent example is development of the  
7 Division of Securities training manual for new  
8 employees, which covers elements needed to be  
9 successful during the first few months on the job.

10 It is my hope these new tools, along with  
11 on-the-job training, will help facilitate greater  
12 job satisfaction and a shorter timeline to achieve  
13 proficiency.

14 Moving to plans for the future: At this point  
15 I would like to loop back to the suggestions that I  
16 have for the Agency's performance measures. With  
17 regard to Measure 5, we are currently measuring the  
18 average number of days from receipt of an  
19 application to approval.

20 As you know, our team communicates with  
21 businesses and individuals to answer questions and  
22 facilitate the application submission process.  
23 This helps us gather information to license them  
24 rather than simply sending a deficiency letter when  
25 we receive an incomplete application.

1           Occasionally communication can take time,  
2           which can skew the average number of days approval.  
3           I would like to put forward a recommendation to  
4           adjust Measure 5 by looking at the average days  
5           from receipt of a completed application to  
6           approval.

7           Additionally, Measure 6 should be adjusted for  
8           the same reason; that is, to capture the average  
9           number of days from receipt of a completed mortgage  
10          lender application to approval.

11          With respect to Measures 5 and 6, I would like  
12          to propose that we change their weight to 5% from  
13          10% and add two new measures to the report. I  
14          would like to recommend we add Measure 9 for  
15          employee engagement and Measure 10 for  
16          customer-service efficiency. Each would have a 5%  
17          weight. I believe we can give you a more complete  
18          snapshot of the Agency performance by adding these  
19          measures.

20          Looking ahead, I plan to continue carrying out  
21          our mission of smart, efficient, and effective  
22          regulation of Florida's financial services  
23          industry. We will keep doing what we're doing full  
24          speed ahead. You have my commitment to keep you  
25          apprised of developments as information becomes

1 available.

2 I'm excited to continue our work for the state  
3 and national levels to influence policy that both  
4 protects consumers and supports economic growth. I  
5 will ensure that we continue to develop and  
6 implement common-sense regulation and keep the  
7 Agency running smoothly, and encourage more  
8 financial businesses and professionals to come to  
9 Florida.

10 Before I discuss emerging risks, I would like  
11 to collect your final subjective leadership  
12 assessment scores so we can calculate the final  
13 Agency score. So if those are available, could I  
14 come forward and collect them?

15 GOVERNOR SCOTT: Okay. Hold on just for a  
16 second, Drew.

17 All right. So we've got our scores, comments,  
18 and let's talk about changes for a second. Do  
19 y'all want to talk about changes today, or do you  
20 want to go through it first and --

21 CFO ATWATER: Yeah, thank you, Governor.

22 First off, I think I heard the Commissioner's  
23 preferences, and I think the changes to 5 and 6  
24 made sense. But I think it would be valuable if  
25 maybe this was covered with our staffs and we had

1 really a chance to look at that, along with the  
2 ideas you have for the new 9 and 10 which, again,  
3 have merit I believe. But I'm not sure I'd want to  
4 take them out of the subjective.

5 So might I just suggest, Governor, that these  
6 be presented through our staffs and that we have a  
7 chance to all work together and bring back our  
8 recommendations?

9 GOVERNOR SCOTT: Is that okay with everybody?

10 ATTORNEY GENERAL BONDI: Yeah, that's fine. I  
11 mean we could do it today, but I'd rather have more  
12 time to go through them.

13 GOVERNOR SCOTT: Okay. So that's -- on the  
14 changes, you're going to talk to our staff, and  
15 then we'll do it at the next Cabinet meeting.

16 COMMISSIONER BREAKSPEAR: Absolutely, that's  
17 fine.

18 GOVERNOR SCOTT: Okay. So then on the scores,  
19 is everybody ready? Did everybody get their scores  
20 done, you guys?

21 ATTORNEY GENERAL BONDI: We did.

22 GOVERNOR SCOTT: Yeah? All right. I'll just  
23 go through. My score is 3.43.

24 Attorney General.

25 ATTORNEY GENERAL BONDI: My score is a --

1 I'm sorry, Governor, one minute -- 3.65.

2 CFO ATWATER: Governor, you're giving a total  
3 score? Is that what you're giving, a total score?

4 GOVERNOR SCOTT: Yeah.

5 CFO ATWATER: I -- well, I just want to share  
6 it this way.

7 GOVERNOR SCOTT: Just give me --

8 CFO ATWATER: Well, I felt on the subjective,  
9 Mr. Breakspear, I agree that that is a 3, and so  
10 then I would have done the computation. If I'd got  
11 the computation right, it would come to a 4.35, but  
12 I'm not --

13 GOVERNOR SCOTT: Yours is 4.35?

14 CFO ATWATER: Yeah.

15 GOVERNOR SCOTT: Okay. Commissioner.

16 COMMISSIONER PUTNAM: Governor. I have a  
17 4.75 on the subjective.

18 GOVERNOR SCOTT: All right. Okay. So we'll  
19 give you -- and our staffs will give you how we did  
20 it, all right?

21 COMMISSIONER BREAKSPEAR: Okay.

22 GOVERNOR SCOTT: Okay. So you got our scores.  
23 Now do you want to go through -- does anybody --  
24 before we do any motion to accept the report, does  
25 anybody have questions and comments?

1           COMMISSIONER PUTNAM: I do, but I don't want  
2 to -- do you want to go first?

3           GOVERNOR SCOTT: Why don't you start,  
4 Commissioner.

5           COMMISSIONER PUTNAM: I would just --  
6 you know, woven throughout your report is certainly  
7 the retention challenge, the recruitment challenge,  
8 and I would -- and this is actually an area where I  
9 dinged you on your report.

10           I hope that there's a written plan for  
11 retaining more of your folks, and I'd love to hear  
12 more about what you've learned in the exit  
13 interviews about the commonalities of why people  
14 are leaving and then help us understand better what  
15 you're looking for, who that ideal examiner is  
16 coming out of that financial services industry  
17 that's certainly seen a lot of turmoil in previous  
18 years because, you know, I'm assuming it's not  
19 simply a matter of pay. I'm sure that's a factor,  
20 but there are other factors typically at work on  
21 retention issues.

22           So if you would, let's dig a little deeper on  
23 that. Talk to me about retention issues.

24           COMMISSIONER BREAKSPEAR: Okay. You know,  
25 retention is -- I think as I mentioned is

1 multifaceted. First is, you know, unfortunately  
2 when we get our teams out there, in some cases  
3 they're actually working with the federal  
4 counterparts, and we lose some to our federal  
5 counterparts because they pay that much more.

6 They're doing the same work, in fact, they may  
7 be doing a joint examination and sitting with a  
8 vast difference in pay, and allows our federal  
9 counterparts to look at our people and cherry-pick  
10 the best.

11 In terms of training and retention, we realize  
12 that making sure people are trained and have the  
13 skills is important to them having a feeling of  
14 self confidence when they're out in the field doing  
15 examinations. So that's something we've  
16 highlighted, and continue to work on, is how do we  
17 build that self confidence, how do we build that  
18 skill set, and how do we focus on it and develop  
19 it.

20 It's also -- we are compiling the results of  
21 both our survey and our exit interviews, and I'd be  
22 happy to come back and share those with the  
23 Commission if you'd like in the future.

24 COMMISSIONER PUTNAM: Where do you typically  
25 go to recruit new employees? Are you getting --



1 are you getting someone who is midway through their  
2 career in banking? I assume you're not pulling  
3 them straight out of school to go be an examiner.

4 COMMISSIONER BREAKSPEAR: Well, we pull a lot  
5 of them out of school and pull them out with a few  
6 years of experience, and then we have to go through  
7 a training process and develop them. And depending  
8 which division they're in, the training and  
9 development takes shorter or longer.

10 You know, within our banking area, it really  
11 takes a while to get to the point where somebody  
12 could be comfortable in an examination covering all  
13 of the elements of the CAMELS rating which is used  
14 in the financial area.

15 Within securities, an investment advisor  
16 versus a broker/dealer are different levels of  
17 experience that are needed there. Within consumer  
18 finance, we have so many different businesses, it  
19 takes a while to train people to be able to go  
20 across all of them.

21 I don't know if that answered your question,  
22 Commissioner.

23 COMMISSIONER PUTNAM: Thank you.

24 GOVERNOR SCOTT: All right. CFO.

25 CFO ATWATER: Thank you, Governor.

1           I think the Commissioner is on to it, we've  
2           got to find a way to improve the longevity. I  
3           think if, I think if -- I think you owe it to us to  
4           sit down and look at -- well, one, I appreciate you  
5           didn't walk to the microphone and say: It's all  
6           about money. Okay, I appreciate that, but there is  
7           a significant portion of this that is about money.  
8           And I think you need to come to us and show us that  
9           discrepancy and how far we are deviating from  
10          what's going on.

11           You know, we can't keep running a team that's  
12          going to be snatched like yours is being taken,  
13          okay? You know that, and we know that, so we've  
14          got to figure out an answer.

15           I appreciate you've done the employee surveys,  
16          engaging employees, but I think at some point you  
17          need to bring us the numbers and let us make the  
18          call with you: Are we going to go and ask for some  
19          greater salary, okay?

20           Obviously the role that they're doing, the  
21          work is too important, and you can't keep training.  
22          So let's have that conversation at some point very  
23          soon, and I'm sure you agree with that.

24           COMMISSIONER BREAKSPEAR: I absolutely agree  
25          with that, and I think, you know, at some point

1 money is a factor unfortunately.

2 CFO ATWATER: It is, it is. And I don't know  
3 where you're going to get these from unless we  
4 address some of that as well, okay? I mean you  
5 can't hold enough pizza parties, all right?

6 COMMISSIONER BREAKSPEAR: CFO, we're  
7 collecting information from our federal  
8 counterparts. I don't think we're ever going to  
9 get to the point where we compete, but I think if  
10 we can narrow the gap a little, it will help.

11 CFO ATWATER: I think you've got to consider  
12 a -- you've got to bring to us a serious  
13 conversation about the gap, okay?

14 The other thing I would say is, again, you  
15 know you're the first person that we've had a  
16 chance to go through the entire four quarters and  
17 to offer a subjective with us in this fashion.

18 So I want to stay first off, the care that  
19 you've given to creating the narrative is valuable,  
20 and I appreciate the time you put into it, okay?  
21 So I want you to know that.

22 COMMISSIONER BREAKSPEAR: Thank you.

23 CFO ATWATER: But I want to talk about the  
24 stakeholder groups, and that is where I really  
25 would like to understand the time that you

1 personally spend with members of the banking  
2 industry to get direct feedback, the credit unions,  
3 the securities industry, the mortgage industry.  
4 How are you getting the direct feedback?

5 COMMISSIONER BREAKSPEAR: You know, a lot of  
6 it, I rely on my people who are dealing with it  
7 day in and day out in the various industries. I do  
8 go out and meet with groups, and I periodically  
9 talk to individual people within the industry.

10 But a lot of it is, you know, we have  
11 410,000 licenses out there, and it's an enormous  
12 group. And we have our Division people focused on  
13 interacting with business groups within each of the  
14 areas they work with, and then I talk about it  
15 regularly with them to sort of assimilate what I  
16 can.

17 CFO ATWATER: What I just would like to  
18 suggest -- and I clearly understand in this  
19 conversation, I represent one of four voices that  
20 you're getting; but, you know, I have the privilege  
21 of licensing over 750,000 people with an  
22 insurance -- license to sell insurance in the  
23 state.

24 So we have to take advantage of the  
25 associations that they're offering you; and I

1 think you need, of course, to get the value, the  
2 feedback from your team. But I would ask you to  
3 personally make a greater commitment that you're  
4 going to sit in front of the association leadership  
5 and say: What is it we're doing right? What is it  
6 that we could do better? Where are we adding  
7 value?

8 Of course, again, I've been through bank  
9 exams. I'm not suggesting, you know, it's a joyful  
10 experience, but I believe there's something that  
11 they would probably have to offer, and the quality  
12 of the experience and the value that we're to be  
13 adding. So that is one place, in hearing your  
14 answer, I would really like you to personally spend  
15 more time with the leadership of the association  
16 membership.

17 COMMISSIONER BREAKSPEAR: I will do that.

18 CFO ATWATER: All right. Governor, that's it  
19 for me.

20 GOVERNOR SCOTT: Okay. Attorney General.

21 ATTORNEY GENERAL BONDI: No, thank you,  
22 Governor.

23 GOVERNOR SCOTT: All right. Any -- is there a  
24 motion to accept the report?

25 ATTORNEY GENERAL BONDI: So moved.

1 GOVERNOR SCOTT: Is there a second?

2 CFO ATWATER: Second.

3 GOVERNOR SCOTT: Any comments or objections?

4 (NO RESPONSE).

5 GOVERNOR SCOTT: Hearing none, the motion  
6 carries.

7 COMMISSIONER BREAKSPEAR: Governor, I've got a  
8 couple of more things, if I may.

9 GOVERNOR SCOTT: Okay.

10 COMMISSIONER BREAKSPEAR: One is we did the  
11 aggregate score, did the calculation based on the  
12 subjective and the objective measures: 4.48.

13 GOVERNOR SCOTT: Congratulations.

14 COMMISSIONER BREAKSPEAR: Thank you.

15 I just thought it would be useful if I can  
16 take a couple of minutes and talk about future  
17 risks that we're looking at out there. And this  
18 will only take a couple of minutes, but these are  
19 things that could impact us both -- in the short  
20 term.

21 Number 1, obviously, is fluctuations in the  
22 economy. Shifts in any sector of the economy may  
23 impact our licensees. We monitor economic trends  
24 that affect the financial services industry that is  
25 out there, and that remains the top priority.

1           Second, employee retention, I think I've  
2 probably talked about that enough.

3           Third, Federal regulation, the continuing  
4 growth in regulation emanating from Federal  
5 agencies is reinforcing my view, which I expressed  
6 actually in a 2015 opinion piece that I wrote  
7 called: Too Small to Comply. We are seeing the  
8 consolidation in the banking industry as a way to  
9 handle these new Federal regulations.

10           When I wrote that article in 2015, 55% of the  
11 Dodd-Frank rules and regulations had been written.  
12 That exceeded 20,000 pages of rules and regulations  
13 at that point. For a small bank, that's tough.

14           Payday lending, the CFPB is expected to issue  
15 some rules in 2016 -- Consumer Financial Protection  
16 Bureau, sorry -- on small dollar lending, and that  
17 could cause significant industry contraction based  
18 on what we've seen to date.

19           Shadow banking, it's out there. I call these  
20 shadow banking products, such as online mortgages  
21 and bank services, alternative financial services.  
22 These are new and innovative methods of delivering  
23 a broad range of products to consumers. New  
24 statutes and rules may be required.

25           Our focus is two-fold: Protect consumers; and

1 second, try not to stifle innovation as we go along  
2 with an overwhelming set of rules and regulations.

3 Fintech, which is out there, which envisions  
4 service delivery through mobile devices, such as  
5 cell phones, these will be closely integrated.  
6 Again, we'll have to monitor as it goes along.

7 And then finally, senior protection. We have  
8 an ever-growing senior population susceptible to  
9 financial abuse and scams, and we're committing --  
10 committed to continuing our efforts on this front  
11 to raise awareness of the risks that are out there.

12 I just thought I would tell you when I look  
13 down the road what I worry about that could come  
14 back and impact us or the industry in a significant  
15 way.

16 So in closing, I just want to emphasize my  
17 support for the diligent work of the Agency's team.  
18 Thank you very much.

19 GOVERNOR SCOTT: All right. Thank you, Drew.  
20 CFO.

21 CFO ATWATER: Yeah, Drew, just another minute.  
22 I suspect that some of the shadow banking and  
23 shadow lending is not only a creative providing of  
24 services, it's also a creative avoidance of  
25 regulation. So I hope that you'll be sharing with



1 us some ideas soon on -- you said some of this may  
2 need some legislative action. I suspect some of it  
3 does, but we can go into that later.

4 The other issue, your piece on Too Small to  
5 Comply should be required reading for anybody  
6 wanting to run for Federal office. That was well  
7 done.

8 And then lastly, I just -- I hope that you  
9 might suggest by sending to those who are  
10 continuing to add regulations due to Dodd-Frank  
11 that we have some of the best small lending  
12 statutes and practices in the country, and I sure  
13 hope they don't intend on screwing that up.

14 COMMISSIONER BREAKSPEAR: I've reached out,  
15 and my team and I have developed I think good  
16 working relationships with all of the Federal  
17 agencies we deal with. And we're pretty consistent  
18 in telling them, enough is enough, back off; and  
19 Florida has a great system across a wide ranges of  
20 products. So, CFO, thank you very much.

21 CFO ATWATER: Thank you.

22 COMMISSIONER BREAKSPEAR: And, yes, I will  
23 come back on shadow banking. I'm concerned,  
24 you know, that it may be a way to avoid regulation.  
25 I also don't want to be the heavy hand of

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regulation that prevents a great new product  
getting to the market that will help our consumers.

GOVERNOR SCOTT: Thank you, Drew. Thank you.

\* \* \* \*

## ERRATA SHEET

Meeting of the Governor and Cabinet

Meeting Date: May 10, 2016

<b>Page</b>	<b>Line</b>	<b>Error or Change</b>	<b>Reason for Change</b>
32	13	Change "8%" to "48%"	Transcription error
32	25	Change "in business" to "and businesses"	Transcription error
33	12	Change "watched" to "asked"	Transcription error
36	6	Change "who" to "we"	Inadvertent misstatement
40	21	Change "hoping" to "hopping"	Transcription error
41	9	Should read: "more about how our employees feel on the job and their level"	Inadvertent misstatement & transcription error
41	14	Change "conduct" to "conducted"	Transcription error
43	2	Add "to" after "days"	Transcription error
54	24	Change "industry that is" to "industry, but it's"	Transcription error
55	10	Change "article" to "op-ed"	Transcription error

# ATTACHMENT 2

**FINANCIAL SERVICES COMMISSION  
OFFICE OF FINANCIAL REGULATION  
AGENDA ITEM #2: REQUEST APPROVAL FOR FINAL ADOPTION**

**Action Requested**

The OFR respectfully requests approval for final adoption of amendments to Rule 69U-140.002, Florida Administrative Code. This rule provides application forms for international banking corporations and international trust companies seeking to establish offices in Florida.

**Summary and Justification of Rules**

The rule amendments update and clarify the rule’s language and also incorporate two forms by reference. The rule amendments also delete a reference to a nonexistent form, update the website address for the Office of Financial Regulation, and update legal citations to rulemaking authority.

*International Trust Company Representative Offices*

Subsection (1) of the rule is amended to incorporate by reference a newly-created application form for use by international trust companies which seek to establish international trust company representative offices (“ITCROs”) in Florida. ITCROs are unlike other entities regulated under Chapter 663, F.S., because they have no federal counterpart regulator. The new application is Form OFR-U-20D, Application for the Establishment of an International Trust Company Representative Office in the State of Florida.

*International Bank Branches, Agencies, Administrative and Representative Offices*

International banking corporations seeking to establish international bank branches, agencies, administrative or representative offices in Florida are regulated by the Board of Governors of the Federal Reserve System (“FRB”) as well as the OFR.

Accordingly, subsection (2) of the existing rule permits such applicants to apply to the OFR using the forms prescribed by the FRB. The rule amendments clarify this option by specifically stating that such applicants may, in lieu of using the OFR’s application forms, use the application forms prescribed by the FRB. These changes to subsection (2) of the rule were not originally proposed but are made as part of OFR’s response to the comments from the Joint Administrative Procedures Committee (“JAPC”). Additionally, the archaic sounding language regarding the International Banking Act of 1978 is deleted as unnecessary, as is the generic language stating that an application submitted to OFR on forms prescribed by the FRB “shall be accompanied by or supplemented with any additional information which is requested by OFR and required by the Financial Institutions Codes.”

Similarly, subsection (3) of the rule is amended to clarify that such applicants have the option of using the form prescribed by the FRB to submit the required biographical information for proposed directors, executive officers, principal shareholders, and managers. The amended rule incorporates

the federal form, which is the Interagency Biographical and Financial Report FR 2081c (expiration 12/31/2017), by reference.

### *Notice Regarding Social Security Numbers*

The amendment creates new subsection (5) to state that the forms incorporated by reference in the rule request that an applicant provide his or her social security number. The new rule text sets forth the notice required by Section 119.071(5)(a)2.b., F.S., regarding the OFR's collection and use of such information.

### **Procedural History of Rules**

On January 26, 2016, the Notice of Rule Development was published in the *Florida Administrative Register* (FAR).

On March 29, 2016, the Financial Services Commission approved the OFR's request for authorization to publish a notice of proposed rule.

On May 11, 2016, the Notice of Proposed Rule was published in the FAR.

On June 17, 2016, in response to the JAPC's comments, a Notice of Change was published in the FAR. The JAPC's comments and the OFR's responses thereto are set forth in the attachments to this agenda item.

No public comments or requests for hearing were received in response to any of the published notices or otherwise, and no hearings were held.

### **Comments on Rules**

[BEGINS ON NEXT PAGE]



THE FLORIDA LEGISLATURE  
**JOINT ADMINISTRATIVE  
PROCEDURES COMMITTEE**  
DIVISION OF INSTITUTIONS  
F/U \_\_\_\_\_ FILE \_\_\_\_\_



Senator Denise Grimsley, Chair  
Representative W. Travis Cummings, Vice Chair  
Senator Aaron Bean  
Senator Dwight Bullard  
Senator Nancy C. Detert  
Senator Geraldine F. "Geri" Thompson  
Representative Matt Hudson  
Representative Lake Ray  
Representative Hazelle P. "Hazel" Rogers  
Representative Barbara Watson

KENNETH J. PLANTE  
COORDINATOR  
Room 680, Pepper Building  
111 W. Madison Street  
Tallahassee, Florida 32399-1400  
Telephone (850) 488-9110  
Fax (850) 922-6934  
www.japc.state.fl.us  
joint.admin.procedures@leg.state.fl.us

MAY 31 2016

RT: \_\_\_\_\_ CY: \_\_\_\_\_  
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\_\_\_\_\_

May 26, 2016

Ms. Leslie E. Bryson  
Assistant General Counsel  
Office of Financial Regulation  
200 East Gaines Street  
Tallahassee, Florida 32399-0375

**RE: Department of Financial Services, Office of Financial Regulation  
Rule 69U-140.002**

Dear Ms. Bryson:

I have reviewed the above-referenced rule and offer the following comments for your consideration and response:

**69U-140.002(1):** The words "in the State of Florida" appear to be included in the title of the incorporated form and should be included in the rule text to align the title with that featured on the document.

Incorporated Material—Form OFR-U-20D, Application for the Establishment of an International Trust Company Representative Office

Page 7, #12: The use of "should" in this provision appears to imply that this element is not mandatory. Is this intentional? If not, please revise to clarify the intent. Additionally, what is contemplated by the requirement for "adequate assurances?" See § 120.52(8)(d), Fla. Stat. Please advise.

Page 7, #14: As phrased, "apply" should be "applies" in this provision. Additionally, this provision sets forth that certified copies of information required of foreign corporations in Chapter 607, Florida Statutes, is required for submission. As this application applies only to international trust companies, please review to determine whether the specific applicable citations can be set forth for clarity.

Ms. Leslie E. Bryson  
May 26, 2016  
Page 2

- 69U-140.002(2):** The amendment history reference appears to be out of date and unnecessary in the context of this subsection. Additionally, as phrased, the requirement to submit, “any additional information required by OFR and required by the Financial Institutions Codes,” should be clarified to set forth where OFR sets forth its application requirements and what provisions encompass the Financial Institutions Codes.
- 69U-140.002(3):** The form incorporated in this subsection requires the submission of an applicant’s social security number. Section 119.071(5)(a)2.a., Florida Statutes, prohibits an agency from collecting social security numbers unless it has stated in writing the purpose for collection and it is “[s]pecifically authorized by law to do so ... or [i]mperative for the performance of that agency’s duties and responsibilities as prescribed by law.” The statute also requires an agency to identify the specific federal or state law governing the collection, use or release of social security numbers. *See* 119.071(5)(a)2.b., Fla. Stat. (2015). Please revise to include this information in the form or relevant rule text.

If you have questions, please do not hesitate to contact me. Otherwise, I look forward to your written response.

Sincerely,



Jamie L. Jackson  
Senior Attorney

JLJ:DF WORD/JACKSON/69U\_140.002LS052616\_161049





# FLORIDA OFFICE OF FINANCIAL REGULATION

www.FLOFR.com

DREW J. BREAKSPEAR  
COMMISSIONER

June 16, 2016

## VIA HAND DELIVERY

Jamie Jackson, Senior Attorney  
Joint Administrative Procedures Committee  
680 Pepper Building  
111 West Madison Street  
Tallahassee, Florida 32399-1400

RECEIVED  
2016 JUN 16 PM 1:43  
JOINT ADMINISTRATIVE  
PROCEDURES COMMITTEE

Re: Proposed (Amendment to) Rule 69U-140.002- Applications  
*Response to Comments*

Dear Ms. Jackson:

Thank you for your letter of May 26, 2016. For your consideration, we provide the following responses to your comments:

**69U-140.002(1):** The words “in the State of Florida” appear to be included in the title of the incorporated form and should be included in the rule text to align the title with that featured on the document.

Response: We will insert “in the State of Florida” into the rule text for consistency with the title of the incorporated form. We will make this change as a technical change when we file the rule for adoption. As an additional technical change, we will uncapitalize “international representative office” and “international administrative office” in the second sentence of subsection (1) of the rule.

**Incorporated Material—Form OFR-U-20D, Application for the Establishment of an International Trust Company Representative Office**

**Page 7, #12:** The use of “should” in this provision appears to imply that this element is not mandatory. Is this intentional? If not, please revise to clarify the intent. Additionally, what is contemplated by the requirement for “adequate assurances?” See § 120.52(8)(d), Fla. Stat. Please advise.

**Page 7, #14:** As phrased, “apply” should be “applies” in this provision. Additionally, this provision sets forth that certified copies of information

**required of foreign corporations in Chapter 607, Florida Statutes, is required for submission. As this application applies only to international trust companies, please review to determine whether the specific applicable citations can be set forth for clarity.**

Response: With respect to Page 7, #12, we have deleted the phrase “should provide adequate assurances” and replaced it with “shall certify in writing.” With respect to Page 7, #14, we have changed “apply” to “applies.”

With respect to the comment concerning Chapter 607, Florida Statutes, the application’s requirement to file certified copies of information required of foreign corporations comes from Sections 663.03 and 663.04, Florida Statutes. Pursuant to Section 663.03, Florida Statutes, “[t]he provisions of part I of chapter 607 not in conflict with the financial institutions codes which relate to foreign corporations apply to all international banking corporations and their offices doing business in this state.”

Section 663.04, Florida Statutes, lists certain general or foundational requirements with which an international banking corporation or trust company must comply before it may transact any banking or trust business in this state. Pursuant to subsection (3), the entity may not conduct any such business in this state unless it:

Has filed with the office a certified copy of that information required to be supplied to the Department of State by those provisions of part I of chapter 607 which are applicable to foreign corporations.

§ 663.04(3), Fla. Stat. (2015). The application form implements and is consistent with this provision. In this case, we believe that the application form’s general reference to Chapter 607, Florida Statutes, is appropriate. We note that Chapter 607 contains numerous provisions applicable to foreign corporations. Such provisions of the corporate code apply to foreign corporations, regardless of they will be conducting a banking or trust business in this state. Accordingly, the OFR may not authorize an international banking or trust company (which will be a foreign corporation) to conduct banking or trust business in this state unless it has complied with the requirements for foreign corporations generally under Chapter 607 and has supplied the required information to the Department of State. We have made no change to the rule text, but we have added a citation to Section 663.04, Florida Statutes, to the law implemented portion of the rule history for clarity.

**69U-140.002(2): The amendment history reference appears to be out of date and unnecessary in the context of this subsection. Additionally, as phrased, the requirement to submit, “any additional information required by OFR and required by the Financial Institutions Codes,” should be clarified to set forth where OFR sets forth its application requirements and what provisions encompass the Financial Institutions Codes.**

Jamie Jackson, Senior Attorney

June 16, 2016

Page 3 of 3

Response: We have deleted the amendment history reference as we agree that it is unnecessary in the context of this subsection. We have also deleted the sentence referring to “any additional information which is requested by OFR and required by the Financial Institutions Codes.” For general clarification, we also changed “an” to “its” and “forms” to “form” in subsection (2).

**69U-140.002(3): The form incorporated in this subsection requires the submission of an applicant’s social security number. Section 119.071(5)(a)2.a., Florida Statutes, prohibits an agency from collecting social security numbers unless it has stated in writing the purpose for collection and it is “[s]pecifically authorized by law to do so ... or [i]mperative for the performance of that agency’s duties and responsibilities as prescribed by law.” The statute also requires an agency to identify the specific federal or state law governing the collection, use or release of social security numbers. See 119.071(5)(a)2.b., Fla. Stat. (2015). Please revise to include this information in the form or relevant rule text.**

Response: We have created new subsection (5) in the rule to state that the forms incorporated by reference in the rule request that an applicant provide his or her social security number. The new rule text sets forth the notice required by Section 119.071(5)(a)2.b., Florida Statutes. We have also amended the rule history to include this statutory citation.

These changes are reflected in the attached Notice of Change, which has been filed for publication in the June 17, 2016 issue of the *Florida Administrative Register*.

Thank you, and please do not hesitate to contact me at [leslie.bryson@flofr.com](mailto:leslie.bryson@flofr.com) or (850) 410-9543 if you have any questions or need additional information.

Sincerely,



Leslie E. Bryson  
Assistant General Counsel

cc: Marty Stubblefield, Director, Division of Financial Institutions  
Jeff LeHeup, Chief Counsel, Division of Financial Institutions

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## Notice of Change/Withdrawal

### DEPARTMENT OF FINANCIAL SERVICES

#### FSC - Financial Institution Regulation

RULE NO.: RULE TITLE:

69U-140.002: Applications

#### NOTICE OF CHANGE

Notice is hereby given that the following changes have been made to the proposed rule in accordance with subparagraph 120.54(3)(d)1., F.S., published in Vol. 42 No. 92, May 11, 2016 issue of the Florida Administrative Register.

(1) No change.

(2) An applicant which seeks authority to establish an international branch, international bank agency, international administrative office, or an international representative office may, in lieu of submitting its application on the form prescribed by the OFR in subsection (1) above, submit its an application on such form forms and containing such information as is required by the Board of Governors of the Federal Reserve System, pursuant to the International Banking Act of 1978, as amended on December 15, 1992. However, an application submitted to OFR in such form shall be accompanied by or supplemented with any additional information which is requested by OFR and required by the Financial Institutions Codes.

(3) through (4) No change.

(5) Notice Regarding Collection and Use of Social Security Numbers. The forms incorporated by reference in this rule request that the applicant provide his or her social security number. In accordance with Section 119.071(5)(a)2.a. and b., F.S., the OFR gives the following notice to applicants regarding the OFR's collection and use of social security numbers:

(a) The OFR's collection of social security numbers is not expressly authorized by or mandatory under federal or state law, but it is imperative for the performance of the OFR's duties and responsibilities as prescribed by Sections 663.05(5) and (8), F.S., to ensure the safe and sound management and operations of the international trust company representative office in this state.

(b) Social security numbers collected by the OFR may not be used by the OFR for any purpose other than the purpose provided in this notice.

(c) Social security numbers held by the OFR are confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This exemption does not supersede any federal law prohibiting the release of social security numbers or any other applicable public records exemption for social security numbers existing prior to May 13, 2002, or created thereafter.

(d) Social security numbers held by the OFR may be disclosed if any of the following apply:

1. The disclosure of the social security number is expressly required by federal or state law or a court order;  
2. The disclosure of the social security number is necessary for the receiving agency or governmental entity to perform its duties and responsibilities;

3. The individual expressly consents in writing to the disclosure of his or her social security number;

4. The disclosure of the social security number is made to comply with the USA Patriot Act of 2001, Pub. L. No. 107-56, or Presidential Executive Order 13224;

5. The disclosure of the social security number is made to a commercial entity for the permissible uses set forth in the federal Driver's Privacy Protection Act of 1994, 18 U.S.C. ss. 2721 et seq.; the Fair Credit Reporting Act, 15 U.S.C. ss. 1681 et seq.; or the Financial Services Modernization Act of 1999, 15 U.S.C. ss. 6801 et seq., provided that the authorized commercial entity complies with the requirements of this paragraph;

6. The disclosure of the social security number is for the purpose of the administration of health benefits for an agency employee or his or her dependents;

7. The disclosure of the social security number is for the purpose of the administration of a pension fund administered for the agency employee's retirement fund, deferred compensation plan, or defined contribution plan;  
or

8. The disclosure of the social security number is for the purpose of the administration of the Uniform Commercial Code by the office of the Secretary of State.

*Rulemaking Authority 655.012(2), 663.05(4), (8), 663.13 FS. Law Implemented 119.071(5)(a), 663.04, 663.05, 663.10 FS. History—New 7-21-81, Amended 12-20-82, 3-8-84, Formerly 3C-15.09, Amended 2-9-87, 10-1-87, 10-10-88, 1-24-89, Formerly 3C-15.009, Amended 3-22-93, 9-5-94, Formerly 3C-140.050, Amended 11-5-97, 3-11-02, Formerly 3C-140.002, Amended \_\_ - \_\_ -2016.*

The following changes have been made to Form OFR-U-20D, Application for the Establishment of an International Trust Company Representative Office, which is incorporated by reference in subsection (1) of the rule:

Page 7, #12, delete "should provide adequate assurances" and replace with "shall certify in writing."

Page 7, #14, change "apply" to "applies."

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**APPLICATION**  
**For the Establishment of an**  
**International Trust Company Representative Office**  
**in the State of Florida**

Form OFR-U-20D

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**General Instructions**

An international trust company may apply for a license to establish an international trust company representative office in the State of Florida by completing this letter application form and providing all information and exhibits. If additional space is needed to complete any information required by this form, attach additional pages and identify the question to which the additional pages pertain.

A nonrefundable application fee in the amount of \$5,000.00, payable to the Office of Financial Regulation, must accompany this application. Please note that the application fee is nonrefundable, including in the case of denial or withdrawal of the application.

The nonrefundable application fee of \$5,000.00 payable to the Office of Financial Regulation is attached for deposit into the Financial Institutions' Regulatory Trust Fund.

This application will not be deemed to be filed until the international trust company has provided the Office with all information required.

Org: _____ Flair Object Code: _____ EO: _____ Revenue Source Code: _____
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LETTER APPLICATION

Director, Division of Financial Institutions  
Office of Financial Regulation  
200 East Gaines Street  
Tallahassee, Florida 32399-0371

Re: Application for a License to Establish an International Trust Company Representative Office  
in the State of Florida

Dear Director \_\_\_\_\_:

\_\_\_\_\_, whose  
(Applicant International Trust Company)

address is \_\_\_\_\_, is a trust  
(Street address, City, Province/State, Country, Country Code)

company duly organized and licensed under the laws of, and is authorized to conduct trust business in,

\_\_\_\_\_. A duly authenticated copy of its  
(Country)

charter or equivalent thereof, and its by-laws or equivalent thereof, accompany and are made a part of this

application. The applicant hereby makes application for a license to establish an international trust

company representative office in the State of Florida for the purpose of engaging in such activities as are

permitted by law.

1. The legal name of the international trust company is:

\_\_\_\_\_.

2. The intended location of the proposed office is:

\_\_\_\_\_  
(Street Address)

\_\_\_\_\_  
(Post Office Address)

\_\_\_\_\_  
(City) (County)

Florida, \_\_\_\_\_  
(Zip Code)

3. The name of the person who shall be in charge of the business and affairs of the international trust company representative office is:

Name

Title

\_\_\_\_\_

*(The person named above must complete the biographical information section (attachment 4(a)) and the authorization for release of confidential information (attachment 4(b)).*

4. The total amount of the capital accounts of the international trust company in U.S. dollars is \$ \_\_\_\_\_, and this amount is reflected in the international trust company's complete and detailed statements of financial condition as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, which accompany and are made a part of this application.

*(Financial statements should be for the most recent fiscal quarter ending or at a minimum within 180 days of the date of the application.)*

5. Authentic copies of the international trust company's articles of incorporation, or equivalent thereof, and by-laws, or equivalent thereof, are enclosed.

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

CORPORATE SEAL:

\_\_\_\_\_  
(Applicant Trust Company)

By: \_\_\_\_\_

Title: \_\_\_\_\_



ACKNOWLEDGMENT

On this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, before me personally came \_\_\_\_\_, who is  to me well known, or who  produced \_\_\_\_\_ as identification, and who acknowledged before me that he/she is the \_\_\_\_\_ of \_\_\_\_\_, the international trust company described herein and which executed the foregoing application certificate; that he/she knows the seal of said corporation; that the seal affixed to said application certificate is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he/she signed his/her name hereto by like order.

(L.S)

\_\_\_\_\_  
(Signature of Notary Public or other official taking acknowledgment)

\_\_\_\_\_  
(Title of official taking acknowledgment)

Note: This acknowledgment may be taken within the State of Florida or within any other state of the United States by a notary public. In countries other than the United States, this acknowledgment may be taken by certificate of apostille pursuant to the Convention Abolishing the Requirement of Legalization for Foreign Public Documents (The Hague, October 5, 1961) or by an ambassador, a minister plenipotentiary, a minister extraordinary, a minister resident, a charge d'affairs, a consul-general, a vice consul-general, a deputy consul-general, a consul, a vice-consul, a deputy-consul, a consular agent, a vice consular agent, a commercial agent or a vice-commercial agent of the United States within his jurisdiction. The seal of his office or the seal of the office to which he is attached should be affixed.

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CERTIFICATE OF CAPITAL

In accordance with the provisions of Subsection 663.055(1)(b), Florida Statutes,  
 \_\_\_\_\_, a trust company duly organized or  
 incorporated under the laws of \_\_\_\_\_, does hereby certify to  
 the Office of Financial Regulation, that, as of the close of business \_\_\_\_\_, 20\_\_\_\_, the  
 amount of its capital accounts (*must be as of the latest fiscal quarter ending or at a minimum of 180 days  
 of the date of the application*), including paid-in capital, surplus, and undivided profits, expressed in the  
 currency of the country of its incorporation, and the U.S. dollar equivalents thereof, were:

	<u>Amount</u>	<u>U.S. Dollar Equivalents</u>
Paid-in Capital Stock		
Surplus		
Undivided Profits		
Other (Specify)		
Totals		

*Note: Specify rate of exchange (\_\_\_\_\_) and date of quotation ( \_ / \_ / \_ ).*

SEAL: Dated: \_\_\_\_\_ 20 \_\_\_\_\_

By: \_\_\_\_\_  
 (Signature)

Name: \_\_\_\_\_  
 (Print name)

Title: \_\_\_\_\_

**REQUIRED INFORMATION AND ATTACHMENTS**  
**Form OFR-U-20D**

- 1. Provide the name, address, email address, and telephone number of the contact person or correspondent for this application.**
- 2. Provide a certificate issued by the trust company supervisory authority of the country in which the international trust company is organized or chartered that:**
  - (a) states that the international trust company is duly organized, licensed and lawfully existing in good standing;**
  - (b) states that the international trust company supervisory authorities in the home country of the applicant have authorized the international trust company to establish the proposed international trust company representative office in Florida, and, if different, that the home country of any top tier foreign bank or trust company in the ownership chain does not object to the establishment of the proposed Florida office; and**
  - (c) states that the international trust company holds an unrestricted license to conduct trust business in the foreign country under the laws of which it is organized and chartered.**
- 3. Provide a brief biography of each of the applicant's directors, executive officers, and principal shareholders detailing their financial ability, reputation, integrity and experience in managing and directing an international trust company.**
- 4. Provide, as Attachments 4(a) and (b), the information in the biographical portion of this application, and a completed authorization for release of confidential information, for the proposed manager of the international trust company representative office.**
- 5. Provide documentation that the international trust company is organized or chartered in a jurisdiction in which any trust company having its principal place of business in this state may establish similar facilities or exercise similar powers.**
- 6. Describe the trust company regulatory system in the applicant's home country and, if different, the home country of any top tier foreign bank or trust company in the ownership chain. For each trust company in a different home country, address:**
  - (a) the extent to which the trust company is subject to comprehensive supervision or regulation on a consolidated basis by its home country authorities;**
  - (b) the powers and functions of trust company supervisory authorities; and**
  - (c) the frequency and scope of direct or indirect supervisory examinations of trust companies.**
- 7. Provide a brief history of the applicant including the total amount of assets under administration in its home country and number of offices operated in the home country. Summarize the applicant's experience in international trust business to include: the volume and character of its current international business; a description of the structure of the applicant's foreign or international department; the location, number, and assets under**

administration of any existing foreign offices; and the number of international staff.

8. Provide the following for the applicant:

- (a) Parent only and consolidated balance sheets showing separately each principal group of assets, liabilities, and capital accounts within 180 days of the date of the application;
- (b) Parent only and consolidated income statements showing separately each principal source of revenue and expenses through the end of the most recent fiscal quarter and for the most recent fiscal year; and
- (c) Parent only and consolidated statements of assets under administration within 180 days of the date of the application.

9. Describe the existing operations of the applicant and its ultimate parent, if any, in the United States, including bank and non-bank subsidiaries, branches and agencies, commercial lending companies, and representative offices.

10. Discuss the purpose for establishing the proposed office and the types of services to be offered.

11. Describe the manner in which, and the extent to which, the applicant proposes to direct and supervise the activities of the proposed international trust company representative office. Describe the policies, procedures, and internal audit measures that will be put in place to ensure compliance with applicable state and federal laws and regulations.

12. The applicant and its ultimate parent, if any, ~~shall certify in writing should provide adequate assurances~~ that such information on the operations or activities of the international trust company and any of its affiliates will be provided to OFR as OFR deems necessary in order for it to determine and enforce compliance with applicable state and federal laws and regulations.

13. Describe whether there exist any confidentiality laws or other impediments that would restrict the ability of the applicant and its ultimate parent, if any, to provide information to the OFR to determine and enforce compliance with applicable state and federal laws and regulations. If any impediments exist, explain how the applicant and the ultimate parent, if any, propose to provide to OFR with adequate assurances of access to such information.

14. Provide a certified copy of that information required to be submitted in accordance with the provisions of Chapter 607, Florida Statutes, that ~~applies apply~~ to foreign corporations.

15. Provide a copy of applicant's articles of incorporation or equivalent thereof and a copy of its bylaws or equivalent thereof satisfactory to OFR.

16. List any occasion within the 10 year period preceding the date of this application in which either the international trust company or any of its directors, executive officers, or principal shareholders has been arrested for, charged with, convicted of, or pled guilty or nolo contendere to, regardless of adjudication, any offense with respect to which the penalties include the possibility of imprisonment for 1 year or more, or to any offense involving money laundering, currency transaction reporting, facilitating or furthering terrorism, fraud, or otherwise related to the operation of a financial institution or trust company.

## Attachment 4(a) to Form OFR-U-20D

### BIOGRAPHICAL INFORMATION

This section of Form OFR-U-20D must be completed by the proposed manager of the international trust company representative office. The proposed manager must also complete attachment 4(b), the authorization for release of confidential information.

If additional space is needed to complete the information required, attach additional pages and identify the question to which the additional pages pertain.

#### Preparation

All questions must be answered with complete and accurate information that is subject to verification. If the answer is "none," "not applicable," or "unknown," so state. Answers of "unknown" or "yes" should be explained.

The questions are not intended to limit the presentation nor are the questions intended to duplicate information supplied on another form or in an exhibit. A cross-reference to the information is acceptable. Any cross-reference must be made to a specific cite or location in the documents, so the information can be located easily. Use additional sheets as necessary. If the report is not complete, the OFR may either request additional information or return the filing. If you are a foreign national or a United States citizen who currently resides in a foreign country, additional information may be necessary. Each individual must report promptly any material change to the information provided in the Biographical Report that occurs during the review period for the filing.

#### Notice Regarding Collection and Use of Social Security Numbers

In accordance with Section 119.071(5)(a)2.a. and b., F.S., the OFR provides the following notice to applicants regarding the OFR's collection and use of social security numbers.

The OFR's collection of social security numbers is not expressly authorized by or mandatory under federal or state law, but it is imperative for the performance of the OFR's duties and responsibilities as prescribed by Sections 663.05(5) and (8), F.S., to ensure the safe and sound management and operations of the international trust company representative office in this state.

Social security numbers collected by the OFR may not be used by the OFR for any purpose other than the purpose provided in this notice.

Social security numbers held by the OFR are confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This exemption does not supersede any federal law prohibiting the release of social security numbers or any other applicable public records exemption for social security numbers existing prior to May 13, 2002, or created thereafter.

Social security numbers held by the OFR may be disclosed if any of the following apply:

- a. The disclosure of the social security number is expressly required by federal or state law or a court order.
- b. The disclosure of the social security number is necessary for the receiving agency or governmental entity to perform its duties and responsibilities.
- c. The individual expressly consents in writing to the disclosure of his or her social security number.
- d. The disclosure of the social security number is made to comply with the USA Patriot Act of 2001, Pub. L. No. 107-56, or Presidential Executive Order 13224.

Form OFR-U-20D

Incorporated by Reference in Rule 69U-140.002, F.A.C.

New     /2016

8 of 19

- e. The disclosure of the social security number is made to a commercial entity for the permissible uses set forth in the federal Driver's Privacy Protection Act of 1994, 18 U.S.C. ss. 2721 et seq.; the Fair Credit Reporting Act, 15 U.S.C. ss. 1681 et seq.; or the Financial Services Modernization Act of 1999, 15 U.S.C. ss. 6801 et seq., provided that the authorized commercial entity complies with the requirements of this paragraph.
- f. The disclosure of the social security number is for the purpose of the administration of health benefits for an agency employee or his or her dependents.
- g. The disclosure of the social security number is for the purpose of the administration of a pension fund administered for the agency employee's retirement fund, deferred compensation plan, or defined contribution plan.
- h. The disclosure of the social security number is for the purpose of the administration of the Uniform Commercial Code by the office of the Secretary of State.

**1. Proposed Manager's Personal Information**

(a) Name:

\_\_\_\_\_

Last First Middle (full)

(b) Residence Address: \_\_\_\_\_  
 (Street Address)

\_\_\_\_\_

(City) (State) (Postal Code) (Country)

(c) Residential History. Starting with the address of the residence where you resided prior to the current address above, provide all of your residential addresses for the past ten (10) years without gaps. Attach additional sheets as necessary.

From mm/yyyy	To mm/yyyy	Street Address	City	State	Country/ Province	Postal Code
	Current					

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(d) Date of Birth: Month \_\_\_\_\_ Date \_\_\_\_\_ Year \_\_\_\_\_

(e) Place of Birth: \_\_\_\_\_  
(City) (State) (Country)

(f) United States Social Security Number: \* \_\_\_\_\_  
*\*Please see the notice to applicants regarding the OFR's collection and use of social security numbers.*

(g) Citizenship: \_\_\_\_\_  
(Country) (Date, if Naturalized)

(h) If you are not a United States citizen, provide:

Passport Number: \_\_\_\_\_

Home Country Identification Number: \_\_\_\_\_

Immigration File Number: \_\_\_\_\_

Father's full name: \_\_\_\_\_

Mother's full name, including maiden name: \_\_\_\_\_

(i) Telephone and fax numbers where you may be reached during business hours and an e-mail address:

\_\_\_\_\_  
(Area Code, Telephone Number, including Country Code if outside U.S.)

\_\_\_\_\_  
(Fax Number)

\_\_\_\_\_  
(E-mail Address)

(j) List other names you have used and the period of time you used them (for example, your maiden name, name by a former marriage, former name, alias, or nickname). Attach additional sheets as necessary.

Name	From MM/YY	To MM/YY

**2. Employment History**

(a) Starting with your current employment, provide a complete employment history for the past ten (10) years without gaps. Account for all time, whether paid or unpaid. Include full and part-time employment, self-employment, military service, and homemaking. Also include periods of unemployment, retirement, as a full-time student, and extended travel. Attach additional sheets as necessary.

From mm/yyyy	To mm/yyyy	Employer (company name and address)	Type or nature of the employer's business or activities	Title/Position and Nature of your duties or responsibilities	Country/ Province



(b) Have you ever been dismissed or asked to resign from any past employment, including a less than honorable discharge from military service?

Yes       No

If "yes," provide the employer's name, address, and telephone number; title or position; date of discharge; and explanation.

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**3. Education and Professional Credentials**

(a) List each diploma or degree from high schools, colleges, universities, postgraduate, or other schools.

School Name and Address	From MM/YY	To MM/YY	Degree

(b) List each professional license or similar certificate you now hold or have held (for example, attorney, physician, CPA, NASD or SEC registration).

License Type/Number	Issuing Authority	Status (active, expired, revoked)	Date Issued MM/YY	Expiration MM/YY

**4. Business Affiliations**

List any company with which you are or were associated. Provide the company name, location, nature or type of business, position held or relationship to the company, any ownership percentage, and beginning date of the relationship.

## 5. Legal and Related Matters

- (a) Have you been involved in any of the following filings where the filing was denied, disapproved, withdrawn, or otherwise returned without favorable action by a federal or state regulatory authority or a self-regulatory organization:
- (1) A charter or license application, a financial institution holding company application, or a federal deposit insurance application, in which you were listed as an organizer, director, senior executive officer, or a person that would own or control (either individually or as a member of a group) 10 percent or more of any class of voting securities or other voting equity interest of the institution, or similar position?  
 Yes       No
  - (2) A merger application in which you were listed as a director, senior executive officer, or similar position?  
 Yes       No
  - (3) A notice of change in director or senior executive officer, or similar form, in which you were listed as a director, senior executive officer, or similar position?  
 Yes       No
  - (4) A notice of change in control for a depository institution or other company, or a similar form, in which you were listed (either individually or as a member of a group) as an acquirer or transferee?  
 Yes       No
  - (5) Any other application, notice, or other regulatory or administrative request which was filed with a federal or state regulatory authority or a self-regulatory organization in which you were listed in some capacity?  
 Yes       No
- (b) Have you or any company, financial institution or financial institution holding company with which you are or were associated been subject to any supervisory agreement, enforcement action, civil money penalty, prohibition or removal order, or other supervisory or administrative action taken or imposed by any federal or state regulatory authority or other governmental entity?  
 Yes       No
- (c) Has any company or financial institution with which you are or were associated:
- (1) Been placed into conservatorship or receivership or otherwise failed?  
 Yes       No

- (2) Received financial assistance from a federal agency or instrumentality?  
 Yes       No
- (3) Merged with or been acquired by an institution that received financial assistance from a federal agency or instrumentality in connection with the transaction?  
 Yes       No

(d) Have you or any company with which you are or were associated:

- (1) Filed a petition under any chapter of the Bankruptcy Code or had an involuntary bankruptcy petition filed against you or the company?  
 Yes       No
- (2) Defaulted on a loan or financial obligation of any sort, whether as obligor, cosigner, or guarantor?  
 Yes       No
- (3) Forfeited property in full or partial satisfaction of any financial obligation?  
 Yes       No
- (4) Had a lien placed against property for failure to pay taxes or other debts?  
 Yes       No
- (5) Had wages or income garnished for any reason?  
 Yes       No
- (6) Failed or refused to pay any outstanding judgments?  
 Yes       No

(e) Have you or any company with which you are or were associated been involved in any lawsuit, formal or informal investigation, examination, or administrative proceeding that may result in, or resulted in, any penalty (including, but not limited to, any sanction, fine, order to pay damages, loss of right or benefit, forfeiture of property interest, or revocation of license), agreement, undertaking, consent, judgment, or order imposed by or entered into with any of the following entities:

- (1) Any federal or state court?  
 Yes       No

- (2) Any department, agency, or commission of the United States government?  
 Yes       No
- (3) Any state, municipal, or foreign governmental entity?  
 Yes       No
- (4) Any self-regulatory organization (for example, NASD, FASB, state bar)?  
 Yes       No
- (f) Have you or any company with which you are or were associated been arrested for, charged with, indicted for, or convicted of (including a conviction where the record was expunged), ever pleaded *nolo contendere* to, any criminal matter other than minor traffic violations?  
 Yes       No
- (g) If you answer “yes” to any question in 5(a) through 5(f), provide your explanation by identifying the number of the question, describing the situation in detail, and, where relevant, including the following information. Attach additional sheets as necessary.
- Name and location of any company, party, court, regulatory agency, or self-regulatory organization involved.
  - Nature of your association with any company (for example, officer, director, organizer, principal shareholder, or owner).
  - Type of any application, notice, or other regulatory or administrative request.
  - Nature of any supervisory, enforcement, or administrative action.
  - Direct and indirect debt terms, defaulted amount, and creditor regarding any financial obligation.
  - Date of any relevant event.
  - Nature of any lawsuit, charge, or proceeding.
  - Jurisdiction in which any legal proceeding occurred.
  - Resolution or disposition of the matter.

## 6. Additional Information

Present any other information you believe is important to evaluate your filing.

**CERTIFICATION**

I hereby affirm that the foregoing biographical information and all information submitted herewith is true, complete, and correct to the best of my knowledge and belief.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_, day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned notary, personally appeared \_\_\_\_\_ (name),

who \_\_\_ is personally known to me or \_\_\_ proved to me through the following identification:

\_\_\_\_\_ to be the person who signed the preceding document in my presence and who affirmed to me that the statement and contents of the document are truthful and accurate to the best of \_\_\_ his or \_\_\_\_\_ her knowledge and belief.

\_\_\_\_\_  
Signature of Notary Public or other official taking the acknowledgment

L.S./  
Notary Seal:

Attachment 4(b) Form OFR-U-20D

AUTHORIZATION FOR RELEASE OF CONFIDENTIAL INFORMATION

TO WHOM IT MAY CONCERN:

I, \_\_\_\_\_, hereby authorize and request every person, firm, officer, corporation, association, organization or institution having control of any documents, records, background information, personal information, or other information pertaining to me to furnish the original or copies of any such documents, records or other information to the Florida Office of Financial Regulation (OFR) or any of its authorized representatives for purposes of the application by the international trust company for a license to establish an international trust company representative office in Florida.

(Valid for six (6) months from date signed)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

On this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, before me personally came \_\_\_\_\_, who is  to me well known, or who  produced \_\_\_\_\_, as identification, and acknowledged and affirmed the foregoing authorization for release of confidential information to the OFR.

(L.S.)

\_\_\_\_\_  
(Signature of Notary Public or other official taking acknowledgement)

\_\_\_\_\_  
(Title of official taking acknowledgment)

Note: This acknowledgment may be taken within the State of Florida or within any other state of the United States by a notary public. In countries other than the United States, this acknowledgment may be taken by certificate of apostille pursuant to the Convention Abolishing the Requirement of Legalization for Foreign Public Documents (The Hague, October 5, 1961) or by an ambassador, a minister plenipotentiary, a minister extraordinary, a minister resident, a charge d'affairs, a consul-general, a vice consul-general, a deputy consul-general, a consul, a vice-consul, a deputy-consul, a consular agent, a vice consular agent, a commercial agent or a vice-commercial agent of the United States within his jurisdiction. The seal of his office or the seal of the office to which he is attached should be affixed.

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2016 JUN 16 PM 1:43  
JOINT ADMINISTRATIVE  
PROCEDURES COMMITTEE

## **Final Text of Rules**

[Changes to the rules following JAPC comments appear in red.]

[Technical changes to the rules appear in blue.]

### **69U-140.002 Applications.**

(1) The application for authority to establish an international branch, or international bank agency, shall be filed on Form OFR-U-20, Application for the Establishment of an International Banking Branch or Agency in the State of Florida, revised 3/2003. The application for authority to establish an ~~i~~International ~~r~~Representative ~~o~~Office or ~~i~~International ~~a~~Administrative ~~o~~Office shall be filed on Form OFR-U-20A, Application for the Establishment of an International Representative Office or International Administrative Office in the State of Florida, effective 8/97, revised 3/2003. The application to convert an international agency office to an international branch office shall be filed on Form OFR-U-20B, Application for Authority to Convert an International Agency to a Branch Office, effective 11/01, revised 3/2003. The application for authority to establish an international trust company representative office shall be filed on Form OFR-U-20D, Application for the Establishment of an International Trust Company Representative Office in the State of Florida, new \_\_\_/2016, herein incorporated by reference and available at <https://www.flrules.org/gateway/reference.asp?No=Ref-XXXXX>. The application shall be submitted with a nonrefundable filing fee in the amount prescribed by Section 663.12, F.S., which is made payable to the Office of Financial Regulation (OFR).

(2) An applicant which seeks authority to establish an international branch, international bank agency, international administrative office, or an international representative office may in lieu of submitting its application on the form prescribed by the OFR in subsection (1) above, submit its an application on such form forms and containing such information as is required by the Board of Governors of the Federal Reserve System pursuant to the International Banking Act of 1978, as amended on December 15, 1992. However, an application submitted to OFR in such form shall be accompanied by or supplemented with any additional information which is requested by OFR and required by the Financial Institutions Codes.

(3) An applicant which seeks authority to establish an international branch, international bank agency, international administrative office, or an international representative office may submit the biographical information concerning its directors, executive officers, principal shareholders and proposed Florida management in the same form that such information was submitted to the Board of Governors of the Federal Reserve System on Interagency Biographical and Financial Report FR 2081c (expiration 12/31/2017), herein incorporated by reference and available at <https://www.flrules.org/gateway/reference.asp?No=Ref-XXXXX>. The financial information in FR 2081c need not be provided.

(4) ~~Copies of Forms OFR-U-20, DBF-U-21, OFR-U-20A, and OFR-U-20B, which are hereby incorporated herein~~ by reference, may be obtained online at ~~OFR's web page located at~~ <http://www.flofr.com/StaticPages/DivisionOfFinancialInstitutions.htm>. ~~www.dbf.state.fl.us/banking.html~~ Forms may also be obtained at no cost by request to the or from the Deputy Director, Office of Financial Regulation, Division of Financial Institutions, 200 East Gaines Street, Tallahassee, Florida 32399-0371.

(5) Notice Regarding Collection and Use of Social Security Numbers. The forms incorporated by reference in this rule request that the applicant provide his or her social security number. In accordance with Section 119.071(5)(a)2.a. and b., F.S., the OFR gives the following notice to applicants regarding the OFR's collection and use of social security numbers:

(a) The OFR's collection of social security numbers is not expressly authorized by or mandatory under federal or state law, but it is imperative for the performance of the OFR's duties and responsibilities as prescribed by Sections 663.05(5) and (8), F.S., to ensure the safe and sound management and operations of the international trust company representative office in this state.

(b) Social security numbers collected by the OFR may not be used by the OFR for any purpose other than the purpose provided in this notice.

(c) Social security numbers held by the OFR are confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This exemption does not supersede any federal law prohibiting the release of social security numbers or any other applicable public records exemption for social security numbers existing prior to May 13, 2002, or created thereafter.

(d) Social security numbers held by the OFR may be disclosed if any of the following apply:

1. The disclosure of the social security number is expressly required by federal or state law or a court order;
2. The disclosure of the social security number is necessary for the receiving agency or governmental entity to perform its duties and responsibilities;



3. The individual expressly consents in writing to the disclosure of his or her social security number;

4. The disclosure of the social security number is made to comply with the USA Patriot Act of 2001, Pub. L. No. 107-56, or Presidential Executive Order 13224;

5. The disclosure of the social security number is made to a commercial entity for the permissible uses set forth in the federal Driver's Privacy Protection Act of 1994, 18 U.S.C. ss. 2721 et seq.; the Fair Credit Reporting Act, 15 U.S.C. ss. 1681 et seq.; or the Financial Services Modernization Act of 1999, 15 U.S.C. ss. 6801 et seq., provided that the authorized commercial entity complies with the requirements of this paragraph;

6. The disclosure of the social security number is for the purpose of the administration of health benefits for an agency employee or his or her dependents;

7. The disclosure of the social security number is for the purpose of the administration of a pension fund administered for the agency employee's retirement fund, deferred compensation plan, or defined contribution plan; or

8. The disclosure of the social security number is for the purpose of the administration of the Uniform Commercial Code by the office of the Secretary of State.

*Rulemaking Specific Authority 655.012(2) (3), 663.05(4), (8), 663.13 FS. Law Implemented 119.071(5)(a), 663.04, 663.05, 663.10 FS. History—New 7-21-81, Amended 12-20-82, 3-8-84, Formerly 3C-15.09, Amended 2-9-87, 10-1-87, 10-10-88, 1-24-89, Formerly 3C-15.009, Amended 3-22-93, 9-5-94, Formerly 3C-140.050, Amended 11-5-97, 3-11-02, Formerly 3C-140.002, Amended - -2016.*

### **Material Incorporated by Reference**

[BEGINS ON NEXT PAGE]

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**APPLICATION**  
**For the Establishment of an**  
**International Trust Company Representative Office**  
**in the State of Florida**

Form OFR-U-20D

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**General Instructions**

An international trust company may apply for a license to establish an international trust company representative office in the State of Florida by completing this letter application form and providing all information and exhibits. If additional space is needed to complete any information required by this form, attach additional pages and identify the question to which the additional pages pertain.

A nonrefundable application fee in the amount of \$5,000.00, payable to the Office of Financial Regulation, must accompany this application. Please note that the application fee is nonrefundable, including in the case of denial or withdrawal of the application.

The nonrefundable application fee of \$5,000.00 payable to the Office of Financial Regulation is attached for deposit into the Financial Institutions' Regulatory Trust Fund.

This application will not be deemed to be filed until the international trust company has provided the Office with all information required.

Org: _____ Flair Object Code: _____ EO: _____ Revenue Source Code: _____
-----------------------------------------------------------------------------------

LETTER APPLICATION

Director, Division of Financial Institutions  
Office of Financial Regulation  
200 East Gaines Street  
Tallahassee, Florida 32399-0371

Re: Application for a License to Establish an International Trust Company Representative Office  
in the State of Florida

Dear Director \_\_\_\_\_:

\_\_\_\_\_, whose  
(Applicant International Trust Company)

address is \_\_\_\_\_, is a trust  
(Street address, City, Province/State, Country, Country Code)

company duly organized and licensed under the laws of, and is authorized to conduct trust business in,

\_\_\_\_\_. A duly authenticated copy of its  
(Country)

charter or equivalent thereof, and its by-laws or equivalent thereof, accompany and are made a part of this

application. The applicant hereby makes application for a license to establish an international trust

company representative office in the State of Florida for the purpose of engaging in such activities as are

permitted by law.

1. The legal name of the international trust company is:

\_\_\_\_\_.

2. The intended location of the proposed office is:

\_\_\_\_\_  
(Street Address)

\_\_\_\_\_  
(Post Office Address)

\_\_\_\_\_  
(City)

\_\_\_\_\_  
(County)

Florida, \_\_\_\_\_  
(Zip Code)

3. The name of the person who shall be in charge of the business and affairs of the international trust company representative office is:

Name

Title

\_\_\_\_\_

*(The person named above must complete the biographical information section (attachment 4(a)) and the authorization for release of confidential information (attachment 4(b)).*

4. The total amount of the capital accounts of the international trust company in U.S. dollars is \$ \_\_\_\_\_, and this amount is reflected in the international trust company's complete and detailed statements of financial condition as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, which accompany and are made a part of this application.

*(Financial statements should be for the most recent fiscal quarter ending or at a minimum within 180 days of the date of the application.)*

5. Authentic copies of the international trust company's articles of incorporation, or equivalent thereof, and by-laws, or equivalent thereof, are enclosed.

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

CORPORATE SEAL:

\_\_\_\_\_  
(Applicant Trust Company)

By: \_\_\_\_\_

Title: \_\_\_\_\_

ACKNOWLEDGMENT

On this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, before me personally came \_\_\_\_\_, who is  to me well known, or who  produced \_\_\_\_\_ as identification, and who acknowledged before me that he/she is the \_\_\_\_\_ of \_\_\_\_\_, the international trust company described herein and which executed the foregoing application certificate; that he/she knows the seal of said corporation; that the seal affixed to said application certificate is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he/she signed his/her name hereto by like order.

(L.S) \_\_\_\_\_  
(Signature of Notary Public or other official taking acknowledgment)  
  
\_\_\_\_\_  
(Title of official taking acknowledgment)

Note: This acknowledgment may be taken within the State of Florida or within any other state of the United States by a notary public. In countries other than the United States, this acknowledgment may be taken by certificate of apostille pursuant to the Convention Abolishing the Requirement of Legalization for Foreign Public Documents (The Hague, October 5, 1961) or by an ambassador, a minister plenipotentiary, a minister extraordinary, a minister resident, a charge d'affairs, a consul-general, a vice consul-general, a deputy consul-general, a consul, a vice-consul, a deputy-consul, a consular agent, a vice consular agent, a commercial agent or a vice-commercial agent of the United States within his jurisdiction. The seal of his office or the seal of the office to which he is attached should be affixed.

CERTIFICATE OF CAPITAL

In accordance with the provisions of Subsection 663.055(1)(b), Florida Statutes,  
 \_\_\_\_\_, a trust company duly organized or  
 incorporated under the laws of \_\_\_\_\_, does hereby certify to  
 the Office of Financial Regulation, that, as of the close of business \_\_\_\_\_, 20\_\_\_\_, the  
 amount of its capital accounts (*must be as of the latest fiscal quarter ending or at a minimum of 180 days  
 of the date of the application*), including paid-in capital, surplus, and undivided profits, expressed in the  
 currency of the country of its incorporation, and the U.S. dollar equivalents thereof, were:

	<u>Amount</u>	U.S. Dollar <u>Equivalents</u>
Paid-in Capital Stock	_____	_____
Surplus	_____	_____
Undivided Profits	_____	_____
Other (Specify)	_____	_____
Totals	_____	_____

*Note: Specify rate of exchange (\_\_\_\_\_) and date of quotation ( \_ / \_ / \_ ).*

SEAL:

Dated: \_\_\_\_\_ 20 \_\_\_\_\_

By: \_\_\_\_\_  
 (Signature)

Name: \_\_\_\_\_  
 (Print name)

Title: \_\_\_\_\_

**REQUIRED INFORMATION AND ATTACHMENTS**  
**Form OFR-U-20D**

- 1. Provide the name, address, email address, and telephone number of the contact person or correspondent for this application.**
- 2. Provide a certificate issued by the trust company supervisory authority of the country in which the international trust company is organized or chartered that:**
  - (a) states that the international trust company is duly organized, licensed and lawfully existing in good standing;**
  - (b) states that the international trust company supervisory authorities in the home country of the applicant have authorized the international trust company to establish the proposed international trust company representative office in Florida, and, if different, that the home country of any top tier foreign bank or trust company in the ownership chain does not object to the establishment of the proposed Florida office; and**
  - (c) states that the international trust company holds an unrestricted license to conduct trust business in the foreign country under the laws of which it is organized and chartered.**
- 3. Provide a brief biography of each of the applicant's directors, executive officers, and principal shareholders detailing their financial ability, reputation, integrity and experience in managing and directing an international trust company.**
- 4. Provide, as Attachments 4(a) and (b), the information in the biographical portion of this application, and a completed authorization for release of confidential information, for the proposed manager of the international trust company representative office.**
- 5. Provide documentation that the international trust company is organized or chartered in a jurisdiction in which any trust company having its principal place of business in this state may establish similar facilities or exercise similar powers.**
- 6. Describe the trust company regulatory system in the applicant's home country and, if different, the home country of any top tier foreign bank or trust company in the ownership chain. For each trust company in a different home country, address:**
  - (a) the extent to which the trust company is subject to comprehensive supervision or regulation on a consolidated basis by its home country authorities;**
  - (b) the powers and functions of trust company supervisory authorities; and**
  - (c) the frequency and scope of direct or indirect supervisory examinations of trust companies.**
- 7. Provide a brief history of the applicant including the total amount of assets under administration in its home country and number of offices operated in the home country. Summarize the applicant's experience in international trust business to include: the volume and character of its current international business; a description of the structure of the applicant's foreign or international department; the location, number, and assets under**

administration of any existing foreign offices; and the number of international staff.

8. Provide the following for the applicant:
  - (a) Parent only and consolidated balance sheets showing separately each principal group of assets, liabilities, and capital accounts within 180 days of the date of the application;
  - (b) Parent only and consolidated income statements showing separately each principal source of revenue and expenses through the end of the most recent fiscal quarter and for the most recent fiscal year; and
  - (c) Parent only and consolidated statements of assets under administration within 180 days of the date of the application.
9. Describe the existing operations of the applicant and its ultimate parent, if any, in the United States, including bank and non-bank subsidiaries, branches and agencies, commercial lending companies, and representative offices.
10. Discuss the purpose for establishing the proposed office and the types of services to be offered.
11. Describe the manner in which, and the extent to which, the applicant proposes to direct and supervise the activities of the proposed international trust company representative office. Describe the policies, procedures, and internal audit measures that will be put in place to ensure compliance with applicable state and federal laws and regulations.
12. The applicant and its ultimate parent, if any, shall certify in writing that such information on the operations or activities of the international trust company and any of its affiliates will be provided to OFR as OFR deems necessary in order for it to determine and enforce compliance with applicable state and federal laws and regulations.
13. Describe whether there exist any confidentiality laws or other impediments that would restrict the ability of the applicant and its ultimate parent, if any, to provide information to the OFR to determine and enforce compliance with applicable state and federal laws and regulations. If any impediments exist, explain how the applicant and the ultimate parent, if any, propose to provide to OFR with adequate assurances of access to such information.
14. Provide a certified copy of that information required to be submitted in accordance with the provisions of Chapter 607, Florida Statutes, that applies to foreign corporations.
15. Provide a copy of applicant's articles of incorporation or equivalent thereof and a copy of its bylaws or equivalent thereof satisfactory to OFR.
16. List any occasion within the 10 year period preceding the date of this application in which either the international trust company or any of its directors, executive officers, or principal shareholders has been arrested for, charged with, convicted of, or pled guilty or nolo contendere to, regardless of adjudication, any offense with respect to which the penalties include the possibility of imprisonment for 1 year or more, or to any offense involving money laundering, currency transaction reporting, facilitating or furthering terrorism, fraud, or otherwise related to the operation of a financial institution or trust company.



## **Attachment 4(a) to Form OFR-U-20D**

### **BIOGRAPHICAL INFORMATION**

This section of Form OFR-U-20D must be completed by the proposed manager of the international trust company representative office. The proposed manager must also complete attachment 4(b), the authorization for release of confidential information.

If additional space is needed to complete the information required, attach additional pages and identify the question to which the additional pages pertain.

#### **Preparation**

All questions must be answered with complete and accurate information that is subject to verification. If the answer is “none,” “not applicable,” or “unknown,” so state. Answers of “unknown” or “yes” should be explained.

The questions are not intended to limit the presentation nor are the questions intended to duplicate information supplied on another form or in an exhibit. A cross-reference to the information is acceptable. Any cross-reference must be made to a specific cite or location in the documents, so the information can be located easily. Use additional sheets as necessary. If the report is not complete, the OFR may either request additional information or return the filing. If you are a foreign national or a United States citizen who currently resides in a foreign country, additional information may be necessary. Each individual must report promptly any material change to the information provided in the Biographical Report that occurs during the review period for the filing.

#### **Notice Regarding Collection and Use of Social Security Numbers**

In accordance with Section 119.071(5)(a)2.a. and b., F.S., the OFR provides the following notice to applicants regarding the OFR’s collection and use of social security numbers.

The OFR’s collection of social security numbers is not expressly authorized by or mandatory under federal or state law, but it is imperative for the performance of the OFR’s duties and responsibilities as prescribed by Sections 663.05(5) and (8), F.S., to ensure the safe and sound management and operations of the international trust company representative office in this state.

Social security numbers collected by the OFR may not be used by the OFR for any purpose other than the purpose provided in this notice.

Social security numbers held by the OFR are confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This exemption does not supersede any federal law prohibiting the release of social security numbers or any other applicable public records exemption for social security numbers existing prior to May 13, 2002, or created thereafter.

Social security numbers held by the OFR may be disclosed if any of the following apply:

- a. The disclosure of the social security number is expressly required by federal or state law or a court order.
- b. The disclosure of the social security number is necessary for the receiving agency or governmental entity to perform its duties and responsibilities.
- c. The individual expressly consents in writing to the disclosure of his or her social security number.
- d. The disclosure of the social security number is made to comply with the USA Patriot Act of 2001, Pub. L. No. 107-56, or Presidential Executive Order 13224.

- e. The disclosure of the social security number is made to a commercial entity for the permissible uses set forth in the federal Driver's Privacy Protection Act of 1994, 18 U.S.C. ss. 2721 et seq.; the Fair Credit Reporting Act, 15 U.S.C. ss. 1681 et seq.; or the Financial Services Modernization Act of 1999, 15 U.S.C. ss. 6801 et seq., provided that the authorized commercial entity complies with the requirements of this paragraph.
- f. The disclosure of the social security number is for the purpose of the administration of health benefits for an agency employee or his or her dependents.
- g. The disclosure of the social security number is for the purpose of the administration of a pension fund administered for the agency employee's retirement fund, deferred compensation plan, or defined contribution plan.
- h. The disclosure of the social security number is for the purpose of the administration of the Uniform Commercial Code by the office of the Secretary of State.

**1. Proposed Manager’s Personal Information**

(a) Name:

\_\_\_\_\_

Last

First

Middle (full)

(b) Residence Address: \_\_\_\_\_  
 (Street Address)

\_\_\_\_\_

(City)

(State)

(Postal Code)

(Country)

(c) Residential History. Starting with the address of the residence where you resided prior to the current address above, provide all of your residential addresses for the past ten (10) years without gaps. Attach additional sheets as necessary.

From mm/yyyy	To mm/yyyy	Street Address	City	State	Country/ Province	Postal Code
	Current					

(d) Date of Birth: Month \_\_\_\_\_ Date \_\_\_\_\_ Year \_\_\_\_\_

(e) Place of Birth: \_\_\_\_\_  
(City) (State) (Country)

(f) United States Social Security Number:\* \_\_\_\_\_  
*\*Please see the notice to applicants regarding the OFR's collection and use of social security numbers.*

(g) Citizenship: \_\_\_\_\_  
(Country) (Date, if Naturalized)

(h) If you are not a United States citizen, provide:

Passport Number: \_\_\_\_\_

Home Country Identification Number: \_\_\_\_\_

Immigration File Number: \_\_\_\_\_

Father's full name: \_\_\_\_\_

Mother's full name, including maiden name: \_\_\_\_\_

(i) Telephone and fax numbers where you may be reached during business hours and an e-mail address:

\_\_\_\_\_  
(Area Code, Telephone Number, including Country Code if outside U.S.)

\_\_\_\_\_  
(Fax Number)

\_\_\_\_\_  
(E-mail Address)

(j) List other names you have used and the period of time you used them (for example, your maiden name, name by a former marriage, former name, alias, or nickname). Attach additional sheets as necessary.

Name	From MM/YY	To MM/YY

## 2. Employment History

(a) Starting with your current employment, provide a complete employment history for the past ten (10) years without gaps. Account for all time, whether paid or unpaid. Include full and part-time employment, self-employment, military service, and homemaking. Also include periods of unemployment, retirement, as a full-time student, and extended travel. Attach additional sheets as necessary.

From mm/yyyy	To mm/yyyy	Employer (company name and address)	Type or nature of the employer's business or activities	Title/Position and Nature of your duties or responsibilities	Country/ Province

(b) Have you ever been dismissed or asked to resign from any past employment, including a less than honorable discharge from military service?

Yes       No

If “yes,” provide the employer’s name, address, and telephone number; title or position; date of discharge; and explanation.

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**3. Education and Professional Credentials**

(a) List each diploma or degree from high schools, colleges, universities, postgraduate, or other schools.

School Name and Address	From MM/YY	To MM/YY	Degree

(b) List each professional license or similar certificate you now hold or have held (for example, attorney, physician, CPA, NASD or SEC registration).

License Type/Number	Issuing Authority	Status (active, expired, revoked)	Date Issued MM/YY	Expiration MM/YY

**4. Business Affiliations**

List any company with which you are or were associated. Provide the company name, location, nature or type of business, position held or relationship to the company, any ownership percentage, and beginning date of the relationship.

## 5. Legal and Related Matters

- (a) Have you been involved in any of the following filings where the filing was denied, disapproved, withdrawn, or otherwise returned without favorable action by a federal or state regulatory authority or a self-regulatory organization:
- (1) A charter or license application, a financial institution holding company application, or a federal deposit insurance application, in which you were listed as an organizer, director, senior executive officer, or a person that would own or control (either individually or as a member of a group) 10 percent or more of any class of voting securities or other voting equity interest of the institution, or similar position?  
 Yes       No
  - (2) A merger application in which you were listed as a director, senior executive officer, or similar position?  
 Yes       No
  - (3) A notice of change in director or senior executive officer, or similar form, in which you were listed as a director, senior executive officer, or similar position?  
 Yes       No
  - (4) A notice of change in control for a depository institution or other company, or a similar form, in which you were listed (either individually or as a member of a group) as an acquirer or transferee?  
 Yes       No
  - (5) Any other application, notice, or other regulatory or administrative request which was filed with a federal or state regulatory authority or a self-regulatory organization in which you were listed in some capacity?  
 Yes       No
- (b) Have you or any company, financial institution or financial institution holding company with which you are or were associated been subject to any supervisory agreement, enforcement action, civil money penalty, prohibition or removal order, or other supervisory or administrative action taken or imposed by any federal or state regulatory authority or other governmental entity?  
 Yes       No
- (c) Has any company or financial institution with which you are or were associated:
- (1) Been placed into conservatorship or receivership or otherwise failed?  
 Yes       No



(2) Received financial assistance from a federal agency or instrumentality?

Yes  No

(3) Merged with or been acquired by an institution that received financial assistance from a federal agency or instrumentality in connection with the transaction?

Yes  No

(d) Have you or any company with which you are or were associated:

(1) Filed a petition under any chapter of the Bankruptcy Code or had an involuntary bankruptcy petition filed against you or the company?

Yes  No

(2) Defaulted on a loan or financial obligation of any sort, whether as obligor, cosigner, or guarantor?

Yes  No

(3) Forfeited property in full or partial satisfaction of any financial obligation?

Yes  No

(4) Had a lien placed against property for failure to pay taxes or other debts?

Yes  No

(5) Had wages or income garnished for any reason?

Yes  No

(6) Failed or refused to pay any outstanding judgments?

Yes  No

(e) Have you or any company with which you are or were associated been involved in any lawsuit, formal or informal investigation, examination, or administrative proceeding that may result in, or resulted in, any penalty (including, but not limited to, any sanction, fine, order to pay damages, loss of right or benefit, forfeiture of property interest, or revocation of license), agreement, undertaking, consent, judgment, or order imposed by or entered into with any of the following entities:

(1) Any federal or state court?

Yes  No

- (2) Any department, agency, or commission of the United States government?
- Yes       No
- (3) Any state, municipal, or foreign governmental entity?
- Yes       No
- (4) Any self-regulatory organization (for example, NASD, FASB, state bar)?
- Yes       No
- (f) Have you or any company with which you are or were associated been arrested for, charged with, indicted for, or convicted of (including a conviction where the record was expunged), ever pleaded *nolo contendere* to, any criminal matter other than minor traffic violations?
- Yes       No
- (g) If you answer “yes” to any question in 5(a) through 5(f), provide your explanation by identifying the number of the question, describing the situation in detail, and, where relevant, including the following information. Attach additional sheets as necessary.
- Name and location of any company, party, court, regulatory agency, or self-regulatory organization involved.
  - Nature of your association with any company (for example, officer, director, organizer, principal shareholder, or owner).
  - Type of any application, notice, or other regulatory or administrative request.
  - Nature of any supervisory, enforcement, or administrative action.
  - Direct and indirect debt terms, defaulted amount, and creditor regarding any financial obligation.
  - Date of any relevant event.
  - Nature of any lawsuit, charge, or proceeding.
  - Jurisdiction in which any legal proceeding occurred.
  - Resolution or disposition of the matter.

## 6. Additional Information

Present any other information you believe is important to evaluate your filing.

**CERTIFICATION**

I hereby affirm that the foregoing biographical information and all information submitted herewith is true, complete, and correct to the best of my knowledge and belief.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_, day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned notary, personally appeared \_\_\_\_\_ (name), who \_\_\_ is personally known to me or \_\_\_ proved to me through the following identification:

\_\_\_\_\_ to be the person who signed the preceding document in my presence and who affirmed to me that the statement and contents of the document are truthful and accurate to the best of \_\_\_ his or \_\_\_\_her knowledge and belief.

\_\_\_\_\_  
Signature of Notary Public or other official taking the acknowledgment

L.S./  
Notary Seal:

**Attachment 4(b) Form OFR-U-20D**

**AUTHORIZATION FOR RELEASE OF CONFIDENTIAL INFORMATION**

TO WHOM IT MAY CONCERN:

I, \_\_\_\_\_, hereby authorize and request every person, firm, officer, corporation, association, organization or institution having control of any documents, records, background information, personal information, or other information pertaining to me to furnish the original or copies of any such documents, records or other information to the Florida Office of Financial Regulation (OFR) or any of its authorized representatives for purposes of the application by the international trust company for a license to establish an international trust company representative office in Florida.

(Valid for six (6) months from date signed)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally came \_\_\_\_\_, who is  to me well known, or who  produced \_\_\_\_\_, as identification, and acknowledged and affirmed the foregoing authorization for release of confidential information to the OFR.

(L.S.)

\_\_\_\_\_  
(Signature of Notary Public or other official taking acknowledgement)

\_\_\_\_\_  
(Title of official taking acknowledgment)

Note: This acknowledgment may be taken within the State of Florida or within any other state of the United States by a notary public. In countries other than the United States, this acknowledgment may be taken by certificate of apostille pursuant to the Convention Abolishing the Requirement of Legalization for Foreign Public Documents (The Hague, October 5, 1961) or by an ambassador, a minister plenipotentiary, a minister extraordinary, a minister resident, a charge d'affairs, a consul-general, a vice consul-general, a deputy consul-general, a consul, a vice-consul, a deputy-consul, a consular agent, a vice consular agent, a commercial agent or a vice-commercial agent of the United States within his jurisdiction. The seal of his office or the seal of the office to which he is attached should be affixed.

## Board of Governors of the Federal Reserve System



# Interagency Biographical and Financial Report—FR 2081c

An organization or a person is not required to respond to a collection of information unless it displays a currently valid OMB control number.

## General Information and Instructions

This *Interagency Biographical and Financial Report* (report) is used by *individuals*<sup>1</sup> in conjunction with other corporate filings to the appropriate regulatory agency. This report is not a stand-alone document.

### Preparation

Use of this report format is not mandatory. If an alternative format is used, it must provide all requested information, including the certification. All questions must be answered with complete and accurate information that is subject to verification. If the answer is "none," "not applicable," or "unknown," so state. Answers of "unknown" or "yes" should be explained.

The questions are not intended to limit the presentation nor are the questions intended to duplicate information supplied on another form or in an exhibit. For example, a cross-reference to the information is acceptable. *Any cross-reference must be made to a specific cite or location in the documents, so the information can be located easily.* Use additional sheets as necessary. Each regulatory agency will provide additional instructions for use and preparation. If the report is not complete, the regulatory agency may either request additional information or return the filing. If you are a foreign national or a United States citizen who currently resides in a foreign country, additional information may be necessary.

Financial statements from individuals must have "as of" dates of not more than 90 days prior to the date the financial report is submitted. All amounts in this report must be based on current market value in United States dollars<sup>2</sup> and agree with any totals in the supplementary schedules. In addition to the sample financial schedules, you may wish to provide supplementary schedules for other items on the financial statement. If the sample financial statement is used, an answer is required to each item. If you submit an alternative Financial Report format, the information must respond to each request for information contained in the sample Financial Report.

In addition, each regulatory agency specifically reserves the right to require up to five years of financial data from any acquiring person as well as the filing of additional information or statements, such as a federal income tax return or a current appraisal to support an asset's value.

If you have been convicted of any criminal offense involving dishonesty, breach of trust, or money laundering, or have agreed to enter into a pretrial diversion or similar program in connection with a prosecution of such offense (12 U.S.C. § 1829), you must obtain approval from the FDIC before you can own, control, participate in the affairs of, or become an institution-affiliated party of a depository institution.

Each individual must report promptly any material change in the biographical report or financial condition that occurs during the review period for the filing. For additional information regarding the processing procedures and guidelines and any supplemental information that may be required, refer to the appropriate regulatory agency's procedural guidelines (that is, the *Comptroller's Licensing Manual*, the FDIC's Rules and Regulations (12 C.F.R. Part 303)), contact the agency directly for specific instruction, or visit its Website at [www.occ.treas.gov](http://www.occ.treas.gov), [www.fdic.gov](http://www.fdic.gov), or [www.federalreserve.gov](http://www.federalreserve.gov).

## Definitions

### For purposes of this document:

*Affiliate* means any company that owns or controls, is owned or controlled by, or is under common ownership or control with a depository institution or depository institution holding company.

*Associated* means associated as an officer, director, organizer, partner, trustee, or principal shareholder or owner.

1. A company seeking to acquire direct or indirect control of a bank or thrift should consult with the appropriate regulatory agency for filing instructions.
2. Provide the foreign currency exchange rate and conversion date, if applicable.

Public reporting burden for this collection of information is estimated to average 2 hours for biographical information and 2 hours for financial information. This estimate includes time to gather and maintain data in the required form, to review instructions, and to complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Paperwork Reduction Act, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street, NW, Washington, DC 20429; Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551; or Licensing Activities Division, Comptroller of the Currency, 250 E Street, SW, Washington, DC 20219; and to the Office of Management and Budget, Paperwork Reduction Project, Washington, DC 20503.

## General Information and Instructions—Continued

*Company* means any corporation, association, partnership, limited liability company, business trust, sole proprietorship, joint venture, or other similar organization.

*Depository institution* means any bank (including a national, state, district, or foreign bank), savings association, savings bank, savings and loan association, building and loan association, homestead association, cooperative bank, trust company, industrial bank or loan company, or credit union. A United States office, including a branch or agency, of a foreign bank is a depository institution.

*Management official* includes a senior executive officer; director; advisory or honorary director of a depository institution with total assets of \$100 million or more; branch manager; trustee of a depository organization under the control of trustees; and any person who has a representative or nominee serving in any of those capacities.

*Principal shareholder or owner* means a person who directly or indirectly owns, controls, or holds (either individually or as a member of a group) the power to vote 10 percent or more of any class of voting securities or other voting equity interest of the entity.

## Confidentiality

Any individual desiring confidential treatment of specific portions of the report must submit a request in writing with the report. The request must discuss the justification for the requested treatment. The individual's reasons for requesting confidentiality should specifically demonstrate the harm (for example, loss of competitive position, invasion of privacy) that would result from public release of information (5 U.S.C. § 552). Information for which confidential treatment is requested should be: (1) specifically identified in the public portion of the report (by reference to the confidential section); (2) separately bound; and (3) labeled "Confidential." The individual should follow the same procedure for a request for confidential treatment for the subsequent filing of supplemental information to the report.

The individual should contact the appropriate regulatory agency for specific instructions regarding requests for confidential treatment. The agency will determine whether the information will be treated as confidential and will advise the individual of any decision to make available to the public information labeled "Confidential."

This is filed with respect to:

Name of Subject Institution or Holding Company \_\_\_\_\_ Location \_\_\_\_\_

**Type of Filing**

- Bank or Thrift Charter
- Bank or Thrift Holding Company
- Change in Bank Control
- Change in Senior Executive Officer or Director
- Citizenship Waiver
- Charter Conversion
- Deposit Insurance
- Federal Branch or Agency
- Other \_\_\_\_\_

**Position**

- Organizer
- Director
- Senior Executive Officer

**Title**

- Principal Shareholder
- Trustee
- Manager
- Other \_\_\_\_\_

**Biographical Report**

**1. Personal Information**

a. Name \_\_\_\_\_  
Last
First
Middle (No Initials)

b. Residence \_\_\_\_\_  
Street Address

\_\_\_\_\_ City/Town State/Province ZIP/Postal Code Country

c. If at residence less than five years, list addresses and dates occupied for past five years.

Date From	Date To	Number and Street	City	State/Prov.	ZIP/Postal Code	Country
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

d. Date of Birth \_\_\_\_\_  
Month / Day / Year

e. Place of Birth \_\_\_\_\_  
City
State/Province
Country

f. United States Social Security Number \_\_\_\_\_

g. Citizenship \_\_\_\_\_  
Country \_\_\_\_\_ Date, if Naturalized \_\_\_\_\_

h. If not a United States citizen, provide:

Passport Number \_\_\_\_\_  
Home Country Identification Number \_\_\_\_\_  
Immigration File Number \_\_\_\_\_  
Father's Full Name \_\_\_\_\_  
Mother's Full Name, including maiden name \_\_\_\_\_

i. Telephone and fax numbers where you may be reached during business hours and an e-mail address:

\_\_\_\_\_  
Area Code, Telephone Number, including Country Code if outside U.S.

\_\_\_\_\_  
Area Code / FAX Number \_\_\_\_\_ E-mail Address \_\_\_\_\_

j. List other names you used and the period of time you used them (for example, your maiden name, name by a former marriage, former name, alias, or nickname). If the other name is your maiden name, put "nee" in front of it.

Other Names Used	Period of Time Used	
	Beginning Date	Ending Date

**2. Employment Record**

a. List employment in reverse chronological order for the last five years. The list should include the beginning and ending dates of employment, the employer's name and location (city, state), nature of business, title or position, nature of duties, and reason for leaving.

Beginning Date	Ending Date	Employer's Name	Title or Position	Nature of Duties
		City	State/Prov.	Nature of Business
				Reason for Leaving
Beginning Date	Ending Date	Employer's Name	Title or Position	Nature of Duties
		City	State/Prov.	Nature of Business
				Reason for Leaving
Beginning Date	Ending Date	Employer's Name	Title or Position	Nature of Duties
		City	State/Prov.	Nature of Business
				Reason for Leaving
Beginning Date	Ending Date	Employer's Name	Title or Position	Nature of Duties
		City	State/Prov.	Nature of Business
				Reason for Leaving
Beginning Date	Ending Date	Employer's Name	Title or Position	Nature of Duties
		City	State/Prov.	Nature of Business
				Reason for Leaving

b. Have you ever been dismissed or asked to resign from any past employment, including a less than honorable discharge from military service?  Yes  No

If "yes," provide the employer's name, address, and telephone number; title or position; date of discharge; and explanation.

Employer's Name	Address	Area Code / Phone Number
Title or Position	Date of Discharge	Explanation



### 3. Education and Professional Credentials

- a. List each diploma or degree from high schools, colleges, universities, or other schools.

School's Name	School's Location	Date From	Date To	Degree
School's Name	School's Location	Date From	Date To	Degree
School's Name	School's Location	Date From	Date To	Degree

- b. List each professional license or similar certificate you now hold or have held (for example, Attorney, Physician, CPA, NASD or SEC registration).

License	Issuing Authority	Date Issued	Status	Expiration
License	Issuing Authority	Date Issued	Status	Expiration
License	Issuing Authority	Date Issued	Status	Expiration

### 4. Business and Banking Affiliations

- a. List any company with which you are associated, providing the company name, location, nature or type of business, position held or relationship to the company, ownership percentage, and beginning date of the relationship.

Company Name	Location	Nature or Type of Business	
		%	
Position Held or Relationship to the Company		Ownership Percentage	Start Date
Company Name	Location	Nature or Type of Business	
		%	
Position Held or Relationship to the Company		Ownership Percentage	Start Date
Company Name	Location	Nature or Type of Business	
		%	
Position Held or Relationship to the Company		Ownership Percentage	Start Date
Company Name	Location	Nature or Type of Business	
		%	
Position Held or Relationship to the Company		Ownership Percentage	Start Date

- b. List the name of any depository institution or depository institution holding company with which you are or were associated. Also list the location, nature of banking activity, position held or relationship, ownership percentage, and beginning and ending dates of the relationship.

Depository Institution/Holding Company Name	Location	Nature of Banking Activity	
		%	
Position Held or Relationship		Ownership Percentage	Start Date End Date
Depository Institution/Holding Company Name	Location	Nature of Banking Activity	
		%	
Position Held or Relationship		Ownership Percentage	Start Date End Date
Depository Institution/Holding Company Name	Location	Nature of Banking Activity	
		%	
Position Held or Relationship		Ownership Percentage	Start Date End Date
Depository Institution/Holding Company Name	Location	Nature of Banking Activity	
		%	
Position Held or Relationship		Ownership Percentage	Start Date End Date

- c. Are you in the process of being considered for a senior executive officer or director position at another depository institution or depository institution holding company?  Yes  No

If "yes," provide the name of the depository institution or depository institution holding company and the position. If the application has been submitted for regulatory review, provide the name of the regulatory agency.

Depository Institution / Holding Company Name	Position
Regulatory Agency	Position

- d. Are you now or are you proposed to be a "management official" of another insured depository institution or depository institution holding company?  Yes  No

If "yes," explain either why the potential interlock is not a violation of the Depository Institution Management Interlocks Act (12 U.S.C. §§ 3201-3208) or what action will be taken to prevent a violation.

## 5. Legal and Related Matters

- a. Have you been involved in any of the following filings where the filing was denied, disapproved, withdrawn, or otherwise returned without favorable action by a federal or state regulatory authority or a self-regulatory organization:

- (1) A charter or license application, a depository institution holding company application, or a federal deposit insurance application, in which you were listed as an organizer, director, senior executive officer, or a person that would own or control (either individually or as a member of a group) 10 percent or more of any class of voting securities or other voting equity interest of the institution, or similar position?  Yes  No
- (2) A merger application in which you were listed as a director, senior executive officer, or similar position?  Yes  No
- (3) A notice of change in director or senior executive officer, or similar form, in which you were listed as a director, senior executive officer, or similar position?  Yes  No
- (4) A notice of change in control for a depository institution or other company, or a similar form, in which you were listed (either individually or as a member of a group) as an acquirer or transferee?  Yes  No
- (5) Any other application, notice, or other regulatory or administrative request which was filed with a federal or state regulatory authority or a self-regulatory organization in which you were listed in some capacity?  Yes  No

- b. Have you or any depository institution or depository institution holding company with which you are or were associated been subject to any supervisory agreement, enforcement action, civil money penalty, prohibition or removal order, or other supervisory or administrative action taken or imposed by any federal or state regulatory authority or other governmental entity?  Yes  No

- c. Has any depository institution with which you are or were associated:

- (1) Been placed into conservatorship or receivership or otherwise failed?  Yes  No
- (2) Received financial assistance from a federal agency or instrumentality (for example, FDIC, Resolution Trust Corporation, Federal Savings and Loan Insurance Corporation)?  Yes  No
- (3) Merged with or been acquired by an institution that received financial assistance from a federal agency or instrumentality in connection with the transaction?  Yes  No

d. Have you or any company with which you are or were associated:

- (1) Filed a petition under any chapter of the Bankruptcy Code or had an involuntary bankruptcy petition filed against you or the company?  Yes  No
- (2) Defaulted on a loan or financial obligation of any sort, whether as obligor, cosigner, or guarantor?  Yes  No
- (3) Forfeited property in full or partial satisfaction of any financial obligation?  Yes  No
- (4) Had a lien placed against property for failure to pay taxes or other debts?  Yes  No
- (5) Had wages or income garnished for any reason?  Yes  No
- (6) Failed or refused to pay any outstanding judgments?  Yes  No

e. Have you or any company or depository institution with which you are or were associated been involved in any lawsuit, formal or informal investigation, examination, or administrative proceeding that may result in, or resulted in, any penalty (including, but not limited to, any sanction, fine, order to pay damages, loss of right or benefit, forfeiture of property interest, or revocation of license), agreement, undertaking, consent, judgment, or order imposed by or entered into with any of the following entities:

- (1) Any federal or state court?  Yes  No
- (2) Any department, agency, or commission of the United States government?  Yes  No
- (3) Any state, municipal, or foreign governmental entity?  Yes  No
- (4) Any self-regulatory organization (for example, NASD, FASB, state bar)?  Yes  No

f. Have you or any company or depository institution with which you are or were associated been arrested for, charged with, indicted for, or convicted of (including a conviction where the record was expunged), or ever pleaded *nolo contendere* to, any criminal matter (other than minor traffic violations)?  Yes  No

g. If you answer "yes" to any question in 5(a) through 5(f), provide your explanation by identifying the number of the question, describing the situation in detail, and, where relevant, including the:

- Name and location of any institution, company, party, court, regulatory agency, or self-regulatory organization involved.
- Nature of your association with any institution or company (for example, officer, director, organizer, principal shareholder, or owner).
- Type of any application, notice, or other regulatory or administrative request.
- Nature of any supervisory, enforcement, or administrative action.
- Direct and indirect debt terms, defaulted amount, and creditor regarding any financial obligation.
- Date of any relevant event.
- Nature of any lawsuit, charge, or proceeding.
- Jurisdiction in which any legal proceeding occurred.
- Resolution or disposition of the matter.

## 6. Additional Information

Present any other information you believe is important to evaluate your filing. If you are involved in the organization of a new depository institution or depository institution holding company, discuss your specific role.

# Financial Report

Financial Statement as of \_\_\_\_\_  
Month / Year

Assets		Liabilities and Net Worth	
Cash on hand and in depository institutions	\$ _____	Accounts payable	\$ _____
Marketable securities (Schedule A)	_____	Notes payable and other loans (Schedule F)	_____
Notes receivable (Schedule B)	_____	Real estate mortgages (Schedule C)	_____
Real estate (Schedule C)	_____	Other liabilities (Schedule G)	_____
Proprietary interests and other securities (Schedule D)	_____	TOTAL LIABILITIES	_____
Retirement funds and other assets (Schedule E)	_____	Net worth (Total assets less total liabilities)	_____
TOTAL ASSETS	\$ _____	TOTAL LIABILITIES AND NET WORTH	\$ _____

## Contingent Liabilities

In addition to the liabilities listed on the Financial Statement, have you endorsed, guaranteed, or become otherwise indirectly or contingently liable for the debts of others or through a pending lawsuit?     Yes     No

If "yes," complete the following:

Debtor or Obligor	Creditor or Obligee	Description and Value of Collateral	Date Due	Current Amount
Name	Name			
Address	Address			\$
Name	Name			
Address	Address			
Name	Name			
Address	Address			
Name	Name			
Address	Address			
			TOTAL	\$

## Supporting Schedules

Schedules must agree in total with the appropriate item contained in the Financial Statement on page 9 of this report.

### Schedule A—Marketable Securities

Indicate all debt and equity securities listed on an exchange or otherwise regularly traded in an open market. Separate debt and equity securities. Securities of closely held corporations should be listed on Schedule D—Proprietary Interests. The description should include the name of the issuer, the principal amount or number of shares held, and the interest rate, if applicable. Small holdings may be aggregated and shown as "other" provided that they account for no more than 10 percent of marketable securities.

Description	Market Value
	\$
TOTAL	\$

### Schedule B—Notes Receivable

The description should include the name of the obligor, the note's maturity and terms of repayment, and a description of any collateral. If the note is payable to you and others jointly, indicate only your beneficial interest under Current Balance.

Description	Current Balance
	\$
TOTAL	\$

### Schedule C—Real Estate and Related Loans

List all real estate in which you hold a beneficial interest. Submit year-end financial statements, including profit and loss statements, for the last two years for each investment (exclude residence) in which you have an interest equal to 10 percent or more of your net worth. Also submit a cash flow statement on any investment property valued at 10 percent or more of net worth.

Description and Location (City and State)	Owner of Property	Percent Ownership	Mortgage Holder	Maturity Date	Current Market Value <sup>1</sup>	Current Value <sup>2</sup>
		____.____ %			\$	\$
		____.____ %				
		____.____ %				
		____.____ %				
		____.____ %				
TOTAL					\$	\$

1. Carry Total forward to Assets—Real estate
2. Carry Total forward to Liabilities—Real estate mortgages

### Schedule D—Proprietary Interests and Other Securities

List all companies, the shares of which are not listed on a securities exchange or otherwise regularly traded, in which you hold a beneficial interest. (Submit year-end financial statements, including profit and loss and cash flow statements, for the last two years for each business interest in which you have an interest equal to 10 percent or more of your net worth.)

Name and Address of Company	Legal Form of Company	Nature of Business	Percent Ownership	Current Value
			____.____ %	\$
			____.____ %	
			____.____ %	
			____.____ %	
TOTAL				\$



**Schedule E—Other Assets**

Include retirement funds (for example, 401K, IRA, Keogh), accounts receivable, merchandise and inventory at lower of cost or market value, machinery and equipment (less depreciation), and life insurance at its cash surrender value.

Description	Basis for Valuation	Current Value
		\$
TOTAL		\$

### Schedule F—Notes Payable and Other Loans

Indicate all loans or notes payable, including loans on life insurance and retirement funds (but not real estate mortgages listed in Schedule C). Loan origination information must include the original date, loan amount, and co-makers, if any, and their percent obligation. Small obligations may be aggregated and shown as "other," provided that they account for no more than 20 percent of other loans and notes payable. Indicate any debt that is contractually delinquent by an asterisk next to the current balance.

Name and Address of Creditor and Loan Origination Information	Description and Value of Collateral	Maturity Date	Current Balance
			\$
TOTAL			\$

### Schedule G—Other Liabilities

Include interest and taxes due and unpaid, other debts accrued, and other liabilities.

Payable To	Description	Maturity Date	Current Balance
			\$
TOTAL			\$

## Cash Flow Statement<sup>1</sup>

Sources of Cash	Year	Year	Projected Current Year	Projected Next Year
Salaries, wages, commissions, and other employment income	\$	\$	\$	\$
Rents, royalties, and investments				
Income from dividends and interest				
Income and other distributions from partnerships				
Other sources <sup>2</sup>				
Total cash received				
<b>Uses of Cash</b>				
Personal living expenses (rent, household)				
Fixed obligations <sup>3</sup>				
Income taxes				
Capital contributions to partnerships				
Other uses <sup>2</sup>				
Total cash outlay				
Net Cash Flow (deficit)	\$	\$	\$	\$

1. Discuss any significant changes on a separate page.

2. Itemize on a separate page any items amounting to 10 percent or more of total cash received or total cash outlay.

3. Fixed obligations include debt service on all loans and any budgeted capital improvement expenditures for real estate investments.

Any loan proceeds or debt service related to this transaction should be included in projections for other sources or uses.

## Privacy Act Notice

The solicitation and collection of this information, including a Social Security Number, is authorized by those statutes that require an appropriate federal banking agency to determine the competence, experience, integrity, and financial ability of individuals proposing to serve a federally regulated financial institution in an official capacity - that is, as a director, officer, employee, or principal shareholder. These statutes include: 12 U.S.C. § 27 (national bank charters); 12 U.S.C. § 1464 (federal savings bank charters); 12 U.S.C. § 1815 (federal deposit insurance); 12 U.S.C. § 1817(j) (changes in control of insured depository institutions); and 12 U.S.C. § 1831(i) (agency disapproval of directors and senior executive officers of insured depository institutions or depository institution holding companies). The provision of requested information, including a Social Security Number, is voluntary. However, the failure to provide any requested information may result in denial, disapproval, or delay in the processing of an application or notice.

Depending on the manner in which an appropriate federal banking agency maintains solicited information, some or all of that information may be subject to the Privacy Act of 1974, 5 U.S.C. § 552a. In such instances, disclosures of covered information may be made to: (1) third parties to complete background checks; (2) financial institutions for supervisory purposes; (3) governmental, tribal, self-regulatory, or professional organizations when information is relevant to either a known or suspected violation of law or licensing standard or relevant and necessary to the governmental or self-regulatory organization's regulation or supervision of financial service providers; (4) the Department of Justice, a court, an adjudicative body, a party in litigation, or a witness when relevant and necessary to a legal or administrative proceeding; (5) congressional offices when the information is relevant to an inquiry initiated on behalf of its provider; (6) an agency's contractors or agents; and (7) other third parties when mandated or authorized by statute.

Additionally, while certain of the solicited information is exempt from disclosure under the Freedom of Information Act because disclosure would constitute a clearly unwarranted invasion of personal privacy, other information is not exempt. Nonexempt information will ordinarily include the names of individuals, the financial institutions that they propose to serve, the statutory context in which information has been provided, and prior bank-related employment and affiliation.

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## Certification

I understand that the appropriate regulatory agency may conduct extensive checks into my background, experience, and related matters in conjunction with my application or filing. I certify that the information contained in the biographical report and financial report, including all attachments, has been carefully examined by me and is true, correct, and complete. I acknowledge that any misrepresentation or omission of a material fact constitutes fraud in the inducement and may subject me to legal sanctions provided by 18 U.S.C. §§ 1001 and 1007.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Day Month Year

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature<sup>1</sup>

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Title (if applicable)

\_\_\_\_\_  
Title (if applicable)

1. If a joint financial statement is being submitted, both parties should complete the "Certification."

# ATTACHMENT 3

**FINANCIAL SERVICES COMMISSION  
OFFICE OF FINANCIAL REGULATION  
AGENDA ITEM #3: REQUEST APPROVAL TO PUBLISH NOTICES OF PROPOSED RULE**

**Action Requested**

The OFR respectfully requests approval to publish Notices of Proposed Rule to amend Rules 69V-40.0312 and 69V-40.0313, F.A.C., relating to mortgage loan originators, and to amend Rule 69V-180.070, F.A.C., relating to consumer collection agencies.

**Summary and Justification of Rules**

*Rules 69V-40.0312 and 69V-40.0313, F.A.C.:*

These proposed amendments will streamline the process for an individual who desires to be licensed as a loan originator in the State of Florida. Currently, the initial application process requires the applicant to be tested on both a national component and a state component. However, the national test component, which is administered by the National Mortgage Licensing System & Registry (NMLS), now includes a section called the Uniform State Test (UST). The UST material tests applicants on their knowledge of high level state-related content that is based on the SAFE Act and the CSBS/AARMR Model State Law, which many states used to implement the SAFE Act. The UST replaces the state-specific test components for the states that adopt it.

The proposed amendments will remove the Florida-specific test requirement. Instead, as part of the presently-required 20-hour pre-license class, an applicant will have to complete at least two hours of pre-license education that covers the provisions found in Chapter 494, F.S., and Rule Chapter 69V-40, F.A.C. The federal SAFE Act currently requires 8 hours of continuing education. In order to renew or reactivate a license, as part of those presently-required 8 hours, the amendments proposed to Rule 69V-40.0313, F.A.C., will require a loan originator to complete at least 1 hour of continuing education that covers the provisions found in Chapter 494, F.S., and Rule Chapter 69V-40, F.A.C.

*Rule 69V-180.070, F.A.C.:*

Chapter 2016-10, Laws of Florida (Reviser's Bill), deleted obsolete language found in Section 559.555, F.S. The proposed amendments to Rule 69V-180.070, F.A.C., delete the corresponding obsolete rule language relating to renewal requirements for registrations expiring on December 31, 2014.

**Proposed Text of Rules**

**69V-40.0312 Application Procedure for Loan Originator License.**

(1) Each individual desiring to obtain licensure as a loan originator shall apply to the Office of Financial Regulation by submitting the following:

- (a) A completed NMLS Individual Form (Form MU4), filed through the Registry;
- (b) The statutory nonrefundable application fee of \$195 filed through the Registry;
- (c) The statutory nonrefundable mortgage guaranty fund assessment fee of \$20, if required by Section 494.00172, F.S., filed through the Registry;

(d) Evidence that the applicant has been awarded a high school diploma or the equivalent;

(e) Confirmation from the Registry that the applicant has satisfied the requirement to complete a 20-hour pre-license class approved by the Registry, of which a minimum of 2 hours shall cover the provisions of Chapter 494, F.S., and Rule Chapter 69V-40, F.A.C.;

(f) Confirmation from the Registry that the applicant has satisfied the requirement to pass a test developed by the Registry and administered by a provider approved by the Registry. ~~For the purposes of this rule, a test developed by the Registry and administered by a provider approved by the Registry includes both a national component and a state component;~~

(g) Submit fingerprints to the Registry for submission to the Federal Bureau of Investigation for a federal criminal background check;

(h) Submit fingerprints to a live scan vendor approved by the Florida Department of Law Enforcement and published on the Florida Department of Law Enforcement's website (<http://www.fdle.state.fl.us/Content/Criminal-History/documents/ApplicantLivescanService-ProvidersVendors.aspx>) for submission to the Florida Department of Law Enforcement for a state criminal background check. The cost of fingerprint processing shall be borne by the applicant and paid directly to the live scan vendor;

(i) Authorize the Registry to obtain and make available to the Office an independent credit report on the applicant.

(2) Request for Additional Information. Within 30 days of receipt the Office shall review each loan originator application and inform the applicant of any request for additional information required to complete its review. The additional information must be received by the Office within 45 days from the date of the request. Failure by the applicant to respond within 45 days from the date of the request shall be construed by the Office of Financial Regulation as grounds for denial for failure to provide the requested information.

(3) Amendments to Pending Applications. If the information contained in the NMLS Individual Form (Form MU4) or any amendment thereto becomes inaccurate for any reason the applicant shall file an amendment through the Registry correcting such information within 15 days of the change. An amendment changing answers to question 6 on the NMLS Individual Form (Form MU4) shall be considered a material change to the application and grounds for denial of the application.

(4) Withdrawal of Application. An applicant may request withdrawal of an application prior to a determination of the application being made by the Office by filing such request through the Registry.

(5) Upon approval of an application, a loan originator license will be issued with an expiration date of December 31 for the year in which the license was issued.

(6) NMLS Individual Form (Form MU4) is incorporated by reference in Rule 69V-40.002, F.A.C.

*Rulemaking Authority 494.0011(2), 494.00312(2) FS. Law Implemented 494.0011(2), 494.00312 FS. History—New 10-1-10, Amended 11-9-15, Amended \_\_\_\_\_.*

#### **69V-40.0313 Loan Originator License Renewal and Reactivation.**

(1) In order to renew an active loan originator license a licensee must submit the following to the Office no later than December 31 of each calendar year in which the licensee wishes to renew the license:

(a) Submit a total payment of \$176.00 paid through the Registry which includes the following:

1. \$150 nonrefundable renewal fee,
2. \$20 nonrefundable mortgage broker guaranty fund fee; and
3. \$6 to cover the cost of fingerprint retention as required to comply with 494.00313(1)(b) F.S.

(b) Authorize the Registry to obtain and make available to the Office an independent credit report on the licensee.

(c) Confirmation from the Registry that the loan originator has satisfied the requirement to complete an 8-hour continuing education class approved by the Registry, of which a minimum of 1 hour shall cover the provisions of Chapter 494, F.S., and Rule Chapter 69V-40, F.A.C.;

(2) A loan originator license that is not renewed as required in subsection (1) before January 1 of the renewal year shall revert from active to inactive status. In order to reactivate a loan originator license, a licensee must submit the following to the Office before March 1 of each calendar year in which the licensee wishes to reactivate the license:

(a) Submit a total payment of \$326.00 paid through the Registry which includes the following:

1. \$150 nonrefundable renewal fee,
2. \$150 nonrefundable reactivation fee,
3. \$20 nonrefundable mortgage broker guaranty fund fee; and
4. \$6 to cover the cost of fingerprint retention as required to comply with 494.00313(1)(b) F.S.

(b) Confirmation from the Registry that the loan originator has satisfied the requirement to complete an 8-hour continuing education class approved by the Registry, of which a minimum of 1 hour shall cover the provisions of Chapter 494, F.S., and Rule Chapter 69V-40, F.A.C.;

(3) A loan originator license that is not reactivated before March 1 after becoming inactive shall permanently expire.

(4) Request for Additional Information. The Office shall review each loan originator renewal request and inform the licensee of any request for additional information required to complete its review. The additional information must be received by the Office within 30 days from the date of the request. Failure by the licensee to respond within 30 days from the date of the request shall be construed by the Office of Financial Regulation as grounds for denial of the renewal request for failure to provide the requested information.

(5) Upon the Office determining that a renewal request has been completed the Office shall determine if the licensee continues to meet the minimum standards for licensure as set forth in Section 494.00312, F.S., and Rules 69V-40.00112 and 69V-40.0113, F.A.C. If a licensee continues to meet the minimum standards for licensure the Office shall renew the loan originator license which shall be valid until December 31 of the year following the expiration date of the loan originator license. If a licensee does not continue to meet the minimum standards for licensure the Office shall deny the renewal request pursuant to Section 494.00313(2), F.S.

*Rulemaking Authority 494.0011(2), 494.00313 FS. Law Implemented 494.0011(2), 494.00313 FS. History--New 10-1-10, Amended \_\_\_\_\_.*

#### **69V-180.070 Consumer Collection Agency Registration Renewal.**

(1) Consumer Collection Agency registrations must be renewed in accordance with the provisions of Section 559.555, F.S.

~~(2) Renewal requirements for registrations expiring on December 31, 2014:~~

~~(a) Registrants shall submit a non-refundable renewal fee equal to the registration fee required in Section 559.555(2)(b), F.S.~~

~~(b) Registrants initially approved before October 1, 2014, shall submit fingerprints for each control person as defined in Section 559.55(4), F.S. for live scan processing pursuant to Section 559.555(2)(c), F.S. Such fingerprints must be submitted before renewing a registration that is scheduled to expire December 31, 2014. Failure to submit such fingerprints within forty five (45) days from the date of the request will result in the registration becoming expired. For purposes of this paragraph, each of the registrant's control persons required to submit fingerprints shall submit such fingerprints to a live scan vendor approved by the Florida Department of Law Enforcement and published on the Florida Department of Law Enforcement's website ([http://www.fdle.state.fl.us/Content/getdoc/941d4e90-131a-45ef-8af3-3c9d4efefd8e/Livescan\\_Service\\_Providers\\_and\\_Device\\_Vendors.aspx](http://www.fdle.state.fl.us/Content/getdoc/941d4e90-131a-45ef-8af3-3c9d4efefd8e/Livescan_Service_Providers_and_Device_Vendors.aspx)) for submission to the Florida Department of Law Enforcement and the Federal Bureau of Investigation for a state criminal background check and a Federal criminal background check. The cost of the fingerprinting process shall be borne by the registrant and paid directly to the live scan vendor. The Office shall screen the background results to determine if the registrant continues to meet the registration requirements of Section 559.555, F.S. Any request for additional information made by the Office must be received within forty five (45) days from the date of the request. Failure to provide additional information requested by the Office within forty five (45) days from the date of the request will result in the registration becoming expired.~~

~~(2) (3) Renewal requirements for registrations expiring on December 31, 2015 and thereafter:~~

~~(a) Registrants shall submit a non-refundable renewal fee equal to the registration fee required in Section 559.555(2)(b), F.S.~~

~~(b) Registrants shall submit a nonrefundable fee of \$6.00 for each person reported to the Office as a control person as defined in Section 559.55(4), F.S. on the Application for Registration as Consumer Collection Agency, OFR-559-~~



102, to cover the costs of fingerprint retention. Failure to remit all fees required in this paragraph by the registration expiration date will automatically result in the registration becoming expired.

*Rulemaking Authority 559.554, 559.555 FS. Law Implemented, 559.555 FS. History—New 9-10-15, Amended \_\_\_\_\_.*

# ATTACHMENT 4

**FINANCIAL SERVICES COMMISSION  
OFFICE OF FINANCIAL REGULATION  
AGENDA ITEM #4: REQUEST APPROVAL TO PUBLISH NOTICES OF PROPOSED RULE**

**Action Requested:**

The OFR respectfully requests approval to publish Notices of Proposed Rule to amend Rules 69W-200.001, 69W-500.011, 69W-600.012, 69W-600.013, 69W-600.0131, 69W-600.014, 69W-700.010, and 69W-1000.001, F.A.C., relating to the regulation of securities.

**Summary and Justification of Rules:**

In December 2015, the OFR finalized a reorganization of rules relating to registration/notice-filing requirements for regulated persons and entities. Those changes improved organization and clarity for applicants and registrants by grouping requirements for each registration/notice filing type into separate rules. With the reorganization, eleven new rules were created, four rules were amended, and twelve rules were repealed. As a result of those changes, the OFR now proposes to amend Rules 69W-200.001, 69W-500.011, 69W-700.010, 69W-600.012, 69W-600.013, 69W-600.0131, and 69W-600.014, F.A.C., in order to update and correct references to various rules. Also as a result of the December 2015 rule reorganization, the OFR proposes to amend the disciplinary guidelines in Rule 69W-1000.001, F.A.C., in order to remove guidelines for repealed rules, add guidelines for the new rules, and revise the guidelines for the amended rules.

The OFR proposes a further amendment to Rule 69W-600.0131, F.A.C., in order to add “charging a customer an advisory fee greater than the amount authorized in the written investment advisory contract between the customer and the investment advisor” as a prohibited business practice for investment advisers and their associated persons. This amendment will give the OFR enforcement authority over advisers who are over-charging customers.

Lastly, the OFR proposes further amendments to Rule 69W-600.014, F.A.C., in order to amend recordkeeping requirements for investment advisers and their associated persons. The proposed changes will add a requirement for investment advisers to maintain a copy of each invoice the investment adviser sends to its clients each time an advisory fee is deducted from clients’ accounts; will remove superfluous rule language; and will add a requirement for investment advisers and associated persons to preserve for the life of the client’s account, and not less than 5 years after the closing of the client’s account, a copy of investment advisory agreements and the written information about each investment advisory client that is the basis for making any recommendation or providing any investment advice to such client.

**Proposed Texts of Rules:**

**69W-200.001 Definitions.**

As used in the Rules and Regulations of the Financial Services Commission and Office of Financial Regulation, pursuant to Chapter 517, F.S., unless the context otherwise specifically requires:

(1) through (5) No change.

(6)(a) No change.

(b) Notwithstanding the provisions of paragraph (a), an associated person registered with the Office of Financial

Regulation and operating in compliance with subsection 69W-600.0024(4)(b) ~~69W-600.003(3)~~, F.A.C., shall not be deemed an associated person of any investment adviser other than the investment adviser or dually registered dealer/investment adviser with which such associated person is registered.

(c) No change.

(7) through (30) No change.

*Rulemaking Authority 517.03(1) FS. Law Implemented 517.07, 517.12, 517.021, 517.061, 517.051, 517.081, 517.161 FS. History—New 12-5-79, Amended 9-20-82, Formerly 3E-200.01, Amended 12-8-87, 10-14-90, 7-31-91, 6-16-92, 1-10-93, 5-5-94, 10-20-97, 8-9-98, 8-19-99, 10-30-03, Formerly 3E-200.001, Amended 5-15-07, 9-30-10, 11-11-13, 9-22-14, \_\_\_\_.*

#### **69W-500.011 Registration of Issuer Under Section 517.061(11), F.S., as Dealer.**

An issuer of securities who elects to offer or sell its own securities pursuant to Section 517.061(11), F.S., may register as a dealer pursuant to Section 517.12(1), F.S. The issuer shall comply with the rules of the Financial Services Commission for registration as a dealer as set forth under Rule 69W-600.001 and subsection 69W-600.0013(5)(a) ~~69W-600.004(1)~~, F.A.C., in addition to the following requirements:

(1) through (3) No change.

*Rulemaking Authority 517.03 FS. Law Implemented 517.061(11), 517.12(1) FS. History—New 9-20-82, Formerly 3E-500.11, Amended 7-31-91, Formerly 3E-500.011, Amended 5-6-15, \_\_\_\_.*

#### **69W-600.012 Rules of Conduct.**

(1) and (2) No change.

(3) No dealer or investment adviser shall permit or effect a withdrawal of any part of its net worth, including subordinated indebtedness, whether by redemption, retirement, repurchase, repayment or otherwise, that would cause its net capital or its aggregate indebtedness to violate any provisions of Office of Financial Regulation Rules 69W-600.0151 and 69W-600.0161 ~~Rule 69W-600.016~~, F.A.C., without prior written approval of the Office of Financial Regulation.

(4) and (5) No change.

*Rulemaking Authority 517.03(1) FS. Law Implemented 517.121, 517.301(1) FS. History—New 12-5-79, Amended 9-20-82, Formerly 3E-600.12, Amended 12-25-89, 10-14-90, 8-1-91, 6-16-92, 1-11-93, 4-11-94, 1-3-99, 8-19-99, 10-30-03, Formerly 3E-600.012, Amended 11-22-10, 9-22-14, \_\_\_\_.*

#### **69W-600.013 Prohibited Business Practices for Dealers and Their Associated Persons.**

(1) No change.

(a) through (k) No change.

(l) Recommending to a customer that the customer engage the services of an investment adviser in connection with which the dealer receives a fee or remuneration (other than directed business) from the investment adviser, unless the dealer is registered with the Office as an investment adviser pursuant to Rule 69W-600.0016, F.A.C. or notice-filed pursuant to Rule 69W-600.0017, F.A.C., except as permitted in Rule 69W-600.003, F.A.C.

(m) through (o) No change.

(2) No change.

*Rulemaking Authority 517.03(1), 517.1217 FS. Law Implemented 517.081, 517.1217, 517.161(1) FS. History—New 12-5-79, Amended 9-20-82, Formerly 3E-600.13, Amended 8-1-91, 6-16-92, 1-11-93, 11-7-93, 5-5-94, 9-9-96, 10-20-97, 1-25-00, 10-30-03, Formerly 3E-600.013, Amended 10-23-06, 1-18-09, 11-22-10, 9-22-14, \_\_\_\_.*

#### **69W-600.0131 Prohibited Business Practices for Investment Advisers and Their Associated Persons.**

(1) No change.

(a) through (m) No change.

(n) Recommending to a customer that the customer engage the services of a dealer in connection with which the investment adviser receives a fee or remuneration from the dealer, except as permitted in Rule 69W-600.0024(4), F.A.C. ~~69W-600.003, F.A.C.~~

(o) through (w) No change.

(x) Charging a customer an advisory fee greater than the amount authorized in the written investment advisory contract between the customer and the investment adviser.

(2) No change.

*Rulemaking Authority 517.03(1), 517.1215 FS. Law Implemented 517.12(4), 517.1215, 517.161(1) FS. History--New 1-25-00, Amended 10-30-03, Formerly 3E-600.0131, Amended 10-23-06, 1-18-09, 11-22-10, 9-22-14, 5-6-15,\_\_\_\_\_.*

#### **69W-600.014 Books and Records Requirements.**

Except as otherwise provided herein, every dealer, investment adviser, branch office, and associated person conducting business in this state shall prepare and maintain on a current basis, and preserve for the periods of time specified, such records, prescribed herein, as are appropriate for said dealer's, investment adviser's, branch office's, or associated person's course of business, and are sufficient to provide an audit trail of all business transactions by said dealer, investment adviser, associated person, or branch office. Associated persons who conduct business from a branch office notice-filed in this state shall be exempt from the provisions of this rule.

(1) and (2) No change.

(3) No change.

(a) All trial balances, financial statements prepared in accordance with United States generally accepted accounting principles, and internal audit working papers relating to the investment adviser's business as an investment adviser. For purposes of this paragraph, "financial statements" means balance sheets, income statements, cash flow statements and net worth computations as required by Rule 69W-600.0161, F.A.C. ~~69W-300.002, F.A.C.~~

(b) through (k) No change.

(l) A copy of each invoice the investment adviser sends to its clients each time an advisory fee is deducted from clients' accounts.

(4) through (6) No change.

(7) No change.

(a) Those records required under subsection (1) of this rule shall be preserved for such periods of time as specified in either SEC Rule 17a-4, (17 C.F.R. § 240.17a), or MSRB Rule G-9.

(b) Those records required under subsection (2) of this rule shall be preserved for a period of not less than five (5) years while effectively registered with the Office of Financial Regulation, nor for less than five (5) years after withdrawal or expiration of registration in this State.

(c) Books and records required to be prepared under the provisions of subsection (3) shall be maintained and preserved in an easily accessible place for a period of not less than five years from the end of the fiscal year during which the last entry was made on such record, the first two years in the principal office of the investment adviser.

(d) Every investment adviser and associated person conducting business in this state shall preserve for the life of the client's account, and not less than 5 years after the closing of the client's account, documents required to be prepared and maintained in accordance with paragraphs (3)(c) and (3)(i).

~~(d) Books and records required to be made under the provisions of subsection (3), shall be maintained and preserved for a period of not less than five years from the end of the fiscal year during which the last entry was made on such record or for the time period during which the investment adviser was registered or required to be registered in the state, if registered less than five years.~~

(e) Each investment adviser registered or required to be registered in this state and which has a business location in this state shall maintain at such business location:

1. through 3. No change.

(8) No change.

*Rulemaking Authority 517.03(1), 517.121(1), 517.1215 FS. Law Implemented 517.121(1), 517.1215 FS. History--New 12-5-79, Amended 9-20-82, Formerly 3E-600.14, Amended 10-14-90, 8-1-91, 6-16-92, 1-11-93, 9-9-96, 6-22-98, 1-25-00, 10-30-03, Formerly 3E-600.014, Amended 10-23-06, 5-15-07, 11-22-10, 11-11-13, 9-22-14, 5-6-15,\_\_\_\_\_.*

#### **69W-700.010 Preferred Stock or Debt Securities.**

(1) and (2) No change.

(3) The earnings requirements of this rule shall be revealed in a financial statement(s) in compliance with subsections 69W-700.001(2), F.A.C. ~~69W-300.002(2) and 69W-300.002(6), F.A.C.~~

(4) No change.

*Rulemaking Authority 517.03 FS. Law Implemented 517.081(7) FS. History—(Formerly 3E-20.09) New 9-20-82, Formerly 3E-700.10, 3E-700.010, Amended 9-22-14,\_\_\_\_\_.*

**69W-1000.001 Disciplinary Guidelines.**

(1) Pursuant to Section 517.1611, F.S., disciplinary guidelines applicable to each ground for which disciplinary action may be imposed by the Office against an individual or a firm under Chapter 517, F.S., are hereby adopted. The disciplinary guidelines are contained in the Office of Financial Regulation Disciplinary Guidelines for Chapter 517, Florida Statutes (F.S.) and Division 69W, Florida Administrative Code (F.A.C.) (effective -16 5-15), which is hereby incorporated by reference. A copy of the disciplinary guidelines may be obtained by mail from the Florida Office of Financial Regulation, Division of Securities, 200 E. Gaines Street, Tallahassee, Florida 32399, or may be obtained electronically through the following website: <http://www.flrules.org/Gateway/>  
[http://www.flrules.org/Gateway/reference.asp?No=Ref\\_05361](http://www.flrules.org/Gateway/reference.asp?No=Ref_05361).

(2) through (9) No change.

*Rulemaking Authority 517.1611(1) FS. Law Implemented 517.111, 517.121, 517.161, 517.1202, 517.1611(1), 517.191(4), 517.221(3), (4) FS. History—New 11-22-10, Amended 11-14-13, 5-6-15,\_\_\_\_\_.*

**Material Incorporated by Reference**

[BEGINS ON NEXT PAGE]

**Office of Financial Regulation Disciplinary Guidelines for Chapters 517, Florida Statutes (F.S.), and 69W, Florida Administrative Code (F.A.C.)**  
**Incorporated by Reference in Rule 69W-1000.001, F.A.C. Effective date: -16 5-15**

<b>Violation #</b>	<b>Violation Category</b>	<b>Statute or Code</b>	<b>Short Description</b>	<b>1st Occurrence</b>	<b>2nd Occurrence</b>	<b>3rd and Subsequent Occurrence(s)</b>
1	Dealer Securities Registration	517.07	Registration of securities	Notice of Non-Compliance, Fine B to Fine C, Restriction, Suspension A to Suspension C	Fine B to Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar
2	Dealer/Agent Registration	517.12	Registration of dealers, associated persons, and branch offices	Notice of Non-Compliance, Fine A to Fine C, Restriction, Suspension A to Suspension C	Fine A to Fine C, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar
3	Branch Office Notification	517.1202	Branch office notice filing	Fine C to Fine D and Summary Suspension of Branch, Revocation	\$10,000 Fine and Summary Suspension of Branch, Revocation	\$10,000 Fine and Summary Suspension of Branch, Revocation
4	Dealer Books and Records	517.121(1),(2)	Books and records requirements; examinations.	Notice of Non-Compliance, Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar
5	Dealer Books and Records	517.121(3)	Books and records requirements; examinations.	Summary Suspension	Summary Suspension	Summary Suspension
6	Dealer/Agent Registration	517.161	Revocation, denial, or suspension of registration of dealer, investment adviser, associated person, or branch office.	Denial, Restriction, Suspension, Summary Suspension, Revocation, Bar	Denial, Restriction, Suspension, Summary Suspension, Revocation, Bar	Denial, Restriction, Suspension, Summary Suspension, Revocation, Bar
7	Dealer/Agent Anti-Fraud	517.275	Commodities; prohibited practices.	Restriction, Fine A to Fine D, Suspension A to Suspension C, Revocation, Bar	Restriction, Fine A to Fine D, Suspension A to Suspension C, Revocation, Bar	Restriction, Fine A to Fine D, Suspension A to Suspension C, Revocation, Bar
8	Dealer/Agent Anti-Fraud	517.301	Fraudulent transactions; falsification or concealment of facts.	Fine D, Revocation, Bar	Fine D, Revocation, Bar	Fine D, Revocation, Bar
9	Dealer/Agent Anti-Fraud	517.311	False representations; deceptive words; enforcement.	Fine D, Revocation, Bar	Fine D, Revocation, Bar	Fine D, Revocation, Bar
10	Dealer/Agent Anti-Fraud	517.312	Securities, investments, boiler rooms; prohibited practices; remedies.	Fine D, Revocation, Bar	Fine D, Revocation, Bar	Fine D, Revocation, Bar

**Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days**

**Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes**

<b>Violation #</b>	<b>Violation Category</b>	<b>Statute or Code</b>	<b>Short Description</b>	<b>1st Occurrence</b>	<b>2nd Occurrence</b>	<b>3rd and Subsequent Occurrence(s)</b>
11	Dealer Books and Records	69W-700.021	Independent Transfer Agent and/or Registrar.	Notice of Non-Compliance, Fine A to Fine C	Fine B to Fine C	Fine D
12	Dealer Books and Records	69W-700.024	Submission of Final Documents.	Notice of Non-Compliance, Fine A to Fine C	Fine B to Fine C	Fine D
13	Dealer/Agent Sales Practices	69W-100.006	Projected Financial Statements or Presentations	Notice of Non-Compliance, Fine A to Fine B, Restriction	Fine A to Fine B, Restriction	Fine A to Fine C, Restriction
14	Dealer/Agent Anti-Fraud	69W-900	Disclosure of Business Activities in Cuba.	Notice of Non-Compliance, Fine B to Fine C	Fine B to Fine D	Fine D, Suspension B to Suspension C, Revocation
15	Dealer/Agent Sales Practices	69W-100.007	Advertising and Sales Literature	Notice of Non-Compliance, Fine A	Fine A to Fine B, Restriction, Suspension A	Fine A to Fine C, Restriction, Suspension B
16	Dealer/Agent Sales Practices	69W-600.013(1)(a)	Extension of Credit	Notice of Non-Compliance, Fine B to Fine C	Fine B to Fine D, Suspension A to Suspension B, Revocation	Fine C to Fine D, Suspension B to Suspension C, Revocation, Bar
17	Dealer/Agent Sales Practices	69W-600.013(2)(h) - [(1)(b)]	Margin Agreement	Notice of Non-Compliance, Fine B to Fine C	Fine B to Fine D, Suspension A to Suspension B, Restriction	Fine C to Fine D, Suspension B to Suspension C, Revocation, Bar
18	Dealer/Agent Sales Practices	69W-600.013(1)(b)	Margin Agreement	Notice of Non-Compliance, Fine B to Fine C	Fine B to Fine D, Suspension A to Suspension B, Restriction	Fine C to Fine D, Suspension B to Suspension C, Revocation, Bar
19	Dealer/Agent Sales Practices	69W-600.013(1)(c)	Segregation of Securities	Notice of Non-Compliance, Fine B to Fine C	Fine B to Fine D, Suspension A to Suspension B	Fine C to Fine D, Suspension B to Suspension C, Revocation
20	Dealer/Agent Sales Practices	69W-600.013(1)(d)	Hypothecating of Securities	Notice of Non-Compliance, Fine B to Fine D	Fine C to Fine D, Suspension B to Suspension C, Restriction	Fine D, Suspension C, Revocation
21	Dealer/Agent Sales Practices	69W-600.013(1)(e)	Failing to Execute an Order	Notice of Non-Compliance, Fine B to Fine D, Restriction	Fine B to Fine D, Suspension A to Suspension C, Restriction	Fine D, Suspension A to Suspension C, Revocation, Bar

**Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days**

**Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes**



Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
22	Dealer/Agent Sales Practices	69W-600.013(1)(f)	Unregistered Securities	Notice of Non-Compliance, Fine B to Fine C, Restriction, Suspension A to Suspension C	Fine B to Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar
23	Dealer/Agent Sales Practices	69W-600.013(1)(g)	Representation of Qualifications	Notice of Non-Compliance, Fine C to Fine D, Suspension A to Suspension B, Restriction	Fine C to Fine D, Suspension B to Suspension C, Restriction, Revocation	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar
24	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2110	High standards of commercial honor and just and equitable principles of trade.	Fine C to Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine D, Restriction, Suspension C, Revocation, Bar	Fine D, Revocation, Bar
25	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 5230	Payments Involving Publications that Influence the Market Price of a Security	Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar	Fine D, Revocation, Bar
26	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 5240	Anti-Intimidation /Coordination	Fine D, Restriction, Suspension B to Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar	Fine D, Revocation, Bar
27	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2010	Standards of Commercial Honor and Principles of Trade	<u>Notice of Non-Compliance</u> , Fine B to Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine D, Restriction, Suspension C, Revocation, Bar	Fine D, Revocation, Bar
28	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2020	Use of Manipulative, Deceptive or Other Fraudulent Devices	Fine D, Suspension C, Revocation, Bar	Fine D, Revocation, Bar	Fine D, Revocation, Bar
29	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2114(a)	Recommendations to Customers in OTC Equity Securities	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine D, Restriction, Suspension C, Revocation	Fine D, Revocation, Bar
30	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2114(c )	Recommendations to Customers in OTC Equity Securities	Notice of Non-Compliance, Fine C to Fine D, Restriction	Fine C to Fine D, Restriction, Suspension A	Fine D, Suspension C, Revocation, Bar
31	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2114(d)	Recommendations to Customers in OTC Equity Securities	Fine B to Fine C, Restriction, Suspension A	Fine C to Fine D, Restriction, Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar
32	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2124	Net Transactions with Customers	Fine C to Fine D, Restriction	Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar

Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days

Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes

Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
33	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2140	Interfering With the Transfer of Customer Accounts in the Context of Employment Disputes	Notice of Non-Compliance, Fine B to Fine C	Fine C to Fine D	Fine D, Suspension A to Suspension B
34	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2150(a)	Improper Use of Customers' Securities or Funds; Prohibition Against Guarantees and Sharing in Accounts	Fine D, Restriction, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
35	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2150(b)	Improper Use of Customers' Securities or Funds; Prohibition Against Guarantees and Sharing in Accounts	Fine C to Fine D, Restriction, Suspension B to Suspension C, Revocation	Fine D, Restriction, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
36	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2150(c )	Improper Use of Customers' Securities or Funds; Prohibition Against Guarantees and Sharing in Accounts	Fine C, Restriction, Suspension B to Suspension C	Fine D, Restriction, Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar
37	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2220(b),(c )	Options Communication	Fine B to Fine C, Restriction	Fine C to Fine D, Restriction, Suspension B to Suspension C	Fine D, Suspension C
38	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2262	Disclosure of Control Relationship with Issuer	Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
39	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h)) FINRA Rule 2264	Margin Disclosure Statement	Fine B to Fine C, Restriction	Fine D, Restriction, Suspension A to Suspension B	Fine D, Suspension C, Revocation, Bar
40	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2265	Extended Hours Trading Risk Disclosure	Notice of Non-Compliance, Fine B to Fine C	Fine B to Fine D, Restriction	Fine C to Fine D, Suspension B to Suspension C
41	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2266	SIPC Information	Notice of Non-Compliance, Fine A	Fine A	Fine B
42	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2267	Investor Education and Protection	Notice of Non-Compliance, Fine A	Fine A	Fine B
43	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2269	Disclosure of Participation or Interest in Primary or Secondary Distribution	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar

**Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days**

**Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes**

Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
44	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2310(b)	Direct Participation Programs	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine D, Restriction, Suspension C, Revocation	Fine D, Revocation, Bar
45	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2310(c)	Direct Participation Programs	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine D, Restriction, Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar
46	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2320	Variable Contracts of an Insurance Company	Notice of Non-Compliance, Fine C to Fine D, Restriction, Suspension A to Suspension C	Fine D, Restriction, Suspension B to Suspension C, Revocation	Fine D, Suspension C, Revocation
47	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2342	"Breakpoint" Sales	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine D, Restriction, Suspension C, Revocation	Fine D, Revocation, Bar
48	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2352	Account Approval - Trading in Index Warrants, Currency Index Warrants and Currency Warrants	Notice of Non-Compliance, Fine B to Fine C	Fine B to Fine D, Restriction, Suspension A	Fine C to Fine D, Suspension A to Suspension C
49	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2353	Suitability - Trading in Index Warrants, Currency Index Warrants and Currency Warrants	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine D, Restriction, Suspension C, Revocation	Fine D, Revocation, Bar
50	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2354	Discretionary Accounts - Trading in Index Warrants, Currency Index Warrants and Currency Warrants	Notice of Non-Compliance, Fine B to Fine C, Restriction	Fine B to D, Restriction, Suspension B	Fine D, Suspension C, Revocation
51	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2355	Supervision of Accounts - Trading in Index Warrants, Currency Index Warrants and Currency Warrants	Notice of Non-Compliance, Fine B to Fine D, Restriction	Fine B to Fine D, Restriction	Fine C to Fine D, Suspension A, Restriction
52	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2357	Communications with the Public and Customers Concerning Index Warrants, Currency Index Warrants and Currency Warrants	Notice of Non-Compliance, Fine B to Fine C, Restriction	Fine C to Fine D, Restriction, Suspension B to Suspension C	Fine D, Suspension C
53	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2358	Maintenance of Records - Trading in Index Warrants, Currency Index Warrants and Currency Warrants	Notice of Non-Compliance, Fine A to Fine B	Fine A to Fine C, Restriction	Fine C to Fine D, Suspension A to Suspension C

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54	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2359	Position and Exercise Limits; Liquidations - Trading in Index Warrants, Currency Index Warrants and Currency Warrants	Fine C to Fine D, Restriction	Fine D, Restriction, Suspension B to Suspension C	Fine D, Suspension C, Revocation, Bar
55	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2360	Options	Notice of Non-Compliance, Fine B to Fine D, Restriction, Suspension A to Suspension B	Fine B to D, Restriction, Suspension B	Fine D, Suspension C, Revocation
56	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 2370(b)	Security Futures	Notice of Non-Compliance, Fine B to Fine C, Restriction	Fine B to D, Restriction, Suspension A to Suspension B	Fine D, Suspension B to Suspension C, Revocation
57	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 3310	Anti-Money Laundering Compliance Program	Notice of Non-Compliance, Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
58	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2210(b)	Communications with the Public	Notice of Non-Compliance, Fine A to Fine C, Restriction	Fine A to Fine C, Restriction	Fine C to Fine D, Suspension A to Suspension B
59	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2210(c)	Communications with the Public	Notice of Non-Compliance, Fine A to Fine C, Restriction	Fine A to Fine C, Restriction	Fine C to Fine D, Suspension A to Suspension B
60	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2210(d), (e)	Communications with the Public	Notice of Non-Compliance, Fine B to Fine C, Suspension A to Suspension B, Restriction	Fine B to Fine D, Restriction, Suspension B to Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar
61	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2212(a),(b)	Telemarketing	Notice of Non-Compliance, Fine A to Fine B, Restriction	Fine B to Fine D, Restriction	Fine D
62	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2212(d)	Telemarketing	Notice of Non-Compliance, Fine C, Restriction	Fine D, Restriction	Fine D, Suspension A
63	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2220(d)	Options Communication	Notice of Non-Compliance, Fine B to Fine C, Suspension A to Suspension B, Restriction	Fine B to Fine D, Restriction, Suspension B to Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar
64	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2240	Disclosure of Control Relationship with Issuer	Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar

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Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes

Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
65	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2250	Disclosure of Participation or Interest in Primary or Secondary Distribution	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
66	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2260	Forwarding of Proxy and Other Materials	Notice of Non-Compliance, Fine A to Fine B	Fine B to Fine C	Fine C to Fine D
67	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2270	Disclosure of Financial Condition to Customers	Fine B to Fine C	Fine B to Fine D	Fine D, Suspension A
68	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) <del>NASD Rule 2310</del> <u>FINRA Rule 2111</u>	Recommendations to Customers (Suitability)	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine D, Restriction, Suspension C, Revocation	Fine D, Revocation, Bar
69	Dealer/AgentSales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2320	Best Execution and Interpositioning	Notice of Non-Compliance, Fine A to Fine B, Restriction, Suspension A to B, Revocation	Fine A to Fine C, Restriction, Suspension A to B, Revocation	Fine B to Fine D, Restriction, Suspension B to C, Revocation, Bar
70	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2340	Customer Account Statements	Notice of Non-Compliance, Fine A to Fine B	Fine A to Fine C, Suspension A	Fine C to Fine D, Suspension B to Suspension C
71	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2341	Margin Disclosure Statement	Notice of Non-Compliance, Fine A to Fine B	Fine A to Fine C, Suspension A	Fine C to Fine D, Suspension B
72	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2350(c)	Broker/Dealer Conduct on the Premises of Financial Institutions	Notice of Non-Compliance, Fine B to Fine C, Restriction	Fine B to Fine D, Restriction, Suspension A	Fine D, Suspension C, Revocation, Bar
73	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2360	Approval Procedures for Day-Trading Accounts	Notice of Non-Compliance, Fine B to Fine C, Restriction	Fine C to Fine D, Suspension A to B	Fine C to Fine D, Suspension B to C
74	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 3240	Borrowing From or Lending to Customers	Notice of Non-Compliance, Fine B to Fine C, Restriction, Suspension A to Suspension C	Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
75	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2410	Net Prices to Persons Not in Investment Banking or Securities Business	Fine D, Restriction	Fine D, Restriction, Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar
76	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2420	Dealing with Non-Members	Fine D, Restriction, Suspension A to Suspension B	Fine D, Restriction, Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar

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77	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2430	Charges for Services Performed	Notice of Non-Compliance, Fine B to Fine C, Restriction, Suspension A	Fine B to Fine D, Restriction, Suspension B	Fine C to Fine D, Suspension C, Revocation, Bar
78	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2440	Fair Prices and Commissions	Fine B to Fine D, Restriction, Suspension A to C, Revocation, Bar	Fine D, Restriction, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
79	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2441	Net Transactions with Customers	Fine D, Restriction	Fine D, Restriction, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
80	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2450	Installment or Partial Sales	Fine B to Fine D, Restriction, Suspension A	Fine C to Fine D, Restriction, Suspension A to Suspension B	Fine D, Suspension B to Suspension C, Revocation, Bar
81	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2460	Payments for Market Making	Fine C to D, Suspension B to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
82	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 5250	Payments for Market Making	Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar	Fine D, Revocation, Bar
83	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2510(a)	Discretionary Accounts	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine D, Restriction, Suspension C, Revocation	Fine D, Revocation, Bar
84	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2510(b), (c)	Discretionary Accounts	Notice of Non-Compliance, Fine A to Fine C, Restriction	Fine B to Fine C, Restriction, Suspension A to Suspension B	Fine C to Fine D, Suspension B to Suspension C, Revocation, Bar
85	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2711	Research Analysts and Research Reports	Notice of Non-Compliance, Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine D, Restriction, Suspension C, Revocation, Bar
86	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) FINRA Rule 5280	Trading Ahead of Research Reports	Fine D, Restriction, Suspension B to Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar	Fine D, Revocation, Bar
87	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2720	Public Offerings of Securities With Conflicts of Interest	Notice of Non-Compliance, Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine C to Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine D, Restriction, Suspension C, Revocation, Bar

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88	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2730	Securities Taken in Trade	Fine B to Fine D, Restriction	Fine C to Fine D, Restriction, Suspension B	Fine D, Suspension C, Revocation, Bar
89	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2740	Selling Concessions, Discounts and Other Allowances	Fine C to Fine D, Restriction	Fine D, Restriction, Suspension A to Suspension B	Fine D, Suspension C, Revocation, Bar
90	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2750	Transactions with Related Persons	Fine C to Fine D, Restriction, Suspension A	Fine D, Suspension B to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
91	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2760	Offerings 'At the Market'	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
92	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2770	Disclosure of Price in Selling Agreements	Fine C to Fine D, Restriction, Suspension A	Fine D, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
93	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2780	Solicitation of Purchases on an Exchange to Facilitate a Distribution of Securities	Fine D, Restriction, Suspension A to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
94	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2821	Members' Responsibilities Regarding Deferred Variable Annuities	Notice of Non-Compliance, Fine C to Fine D, Restriction, Suspension A to Suspension C	Fine D, Restriction, Suspension B to Suspension C, Revocation	Fine D, Suspension C, Revocation
95	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2830	Investment Company Securities	Fine C to Fine D, Restriction, Suspension A	Fine D, Restriction, Suspension A to Suspension C	Fine D, Suspension C, Revocation, Bar
96	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2910	Disclosure of Financial Condition to Other Members	Fine C to Fine D, Restriction, Suspension A	Fine D, Restriction, Suspension A to Suspension C	Fine D, Suspension C, Revocation, Bar
97	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 3010	Supervision	Notice of Non-Compliance, Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine D, Restriction, Suspension A to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
98	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 3011	Anti-Money Laundering Compliance Program	Notice of Non-Compliance, Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation, Bar	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar

**Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days**

**Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes**

Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
99	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 3012	Supervisory Control System	Notice of Non-Compliance, Fine D, Restriction	Fine D, Restriction, Suspension A to Suspension B	Fine D, Suspension C, Restriction, Revocation, Bar
100	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h), FINRA Rule 3130	Annual Certification of Compliance and Supervisory Processes	Notice of Non-Compliance, Fine C to Fine D, Restriction	Fine C to Fine D, Restriction, Suspension A to Suspension B	Fine D, Suspension B to Suspension C, Restriction
101	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h), NASD Rule 3020	Fidelity Bonds	Fine C to Fine D, Restriction	Fine D, Restriction, Suspension A to Suspension C	Fine D, Suspension C, Revocation, Bar
102	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) <del>FINRA Rule 3270</del> <del>NASD Rule 3030</del>	Outside Business Activity	Notice of Non-Compliance, Fine A to Fine C, Restriction, Suspension A to Suspension C	Fine C to Fine D, Restriction, Suspension B to Suspension C, Revocation	Fine C to Fine D, Suspension B to Suspension C, Revocation, Bar
103	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 3040	Private Securities Transactions	Fine B to Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
104	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 3070	Reporting Requirements	Fine C to Fine D, Restriction, Suspension A	Fine D, Suspension A to Suspension C	Fine D, Suspension C, Revocation, Bar
105	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 3210	Short Sale Delivery Requirements	Notice of Non-Compliance, Fine B to Fine C, Restriction, Suspension A	Fine C to Fine D, Restriction, Suspension A to Suspension C	Fine D, Suspension B to Suspension C, Revocation, Bar
106	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 3220	Adjustment of Open Orders	Fine B to Fine C	Fine C to Fine D, Suspension A	Fine D, Suspension C
107	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 3230	Clearing Agreements	Fine C to Fine D	Fine D	Fine D, Suspension A to Suspension B
108	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rules 3110-3170	Books and Records	Notice of Non-Compliance, Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar
109	Dealer/Agent Sales Practices	69W-600.013(1)(h)2, NASD Rule 2111	Trading Ahead of Customer Market Orders	Fine B to Fine D, Restriction, Suspension A to Suspension C, Revocation, Bar	Fine D, Suspension A to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar

Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days

Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes



Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
110	Dealer/Agent Sales Practices	69W-600.013(1)(h)2, New York Stock Exchange Rule 435	Registration and Qualifications	Notice of Non-Compliance, Fine B to Fine D, Restriction	Fine B to Fine D, Restriction, Suspension A	Fine D, Restriction, Suspension B to Suspension C
111	Dealer/Agent Sales Practices	69W-600.013(1)(h)2, New York Stock Exchange Rule 405	Know Your Customer	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine D, Restriction, Suspension C, Revocation	Fine D, Revocation, Bar
112	Dealer/Agent Sales Practices	69W-600.013(1)(h)2, New York Stock Exchange Rule 412	Account Transfers Between Firms	Notice of Non-Compliance, Fine B to Fine D	Fine B to Fine D, Suspension A	Fine D, Suspension B to Suspension C
113	Dealer/Agent Sales Practices	69W-600.013(1)(h)2, New York Stock Exchange Rule 435	Rumors	Fine C to Fine D, Suspension B to Suspension C, Revocation	Fine D, Restriction, Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar
114	Dealer/Agent Sales Practices	69W-600.013(1)(h)3, 17 CFR 230.419	Blank Check Offerings	Fine C to Fine D, Restriction, Suspension A to Suspension C	Fine D, Suspension B to Suspension C, Revocation, Bar	Fine D, Suspension B to Suspension C, Revocation, Bar
115	Dealer/Agent Sales Practices	69W-600.013(1)(h)3, 17 CFR 230.134, 17 CFR 230.134a	Communications Deemed Not to be a Prospectus	Notice of Non-Compliance, Fine A to Fine C, Restriction, Suspension A to Suspension C	Fine A to Fine C, Restriction, Suspension B to Suspension C, Bar	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar
116	Dealer/Agent Sales Practices	69W-600.013(1)(h)3, 17 CFR 230.156	Investment Company Sales Literature	Notice of Non-Compliance, Fine A to Fine C, Restriction	Fine A to Fine C, Restriction	Fine C to Fine D, Suspension A to Suspension B
117	Dealer/Agent Sales Practices	69W-600.013(1)(h)1 and (2)(h) NASD Rule 2520	Margin Requirements	Notice of Non-Compliance, Fine B to Fine C	Fine B to Fine D, Suspension A to Suspension B, Revocation	Fine C to Fine D, Suspension B to Suspension C, Revocation, Bar
118	Dealer/Agent Sales Practices	69W-600.013(1)(h)3, Section 5 of the Securities Act of 1933	Prohibitions/Use of Mails	Notice of Non-Compliance, Fine B to Fine C, Restriction, Suspension A to Suspension C	Fine B to Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar
119	Dealer/Agent Sales Practices	69W-600.013(1)(h)3, Section 6 of the Securities Act of 1933	Registration of securities	Notice of Non-Compliance, Fine B to Fine C, Restriction, Suspension A to Suspension C	Fine B to Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar

Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days

Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes

Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
120	Dealer/Agent Sales Practices	69W-600.013(1)(h)3, 17 CFR 230.481	Information Required in a Prospectus	Notice of Non-Compliance, Fine B to Fine C, Restriction, Suspension A to Suspension C	Fine B to Fine C, Restriction, Suspension B to Suspension C	Fine B to Fine D, Restriction, Suspension C, Revocation
121	Dealer/Agent Sales Practices	69W-600.013(1)(h)3, 17 CFR 230.482	Advertising by an Investment Company	Notice of Non-Compliance, Fine A to Fine C, Restriction	Fine A to Fine C, Restriction	Fine C to Fine D, Suspension A to Suspension B
122	Dealer/Agent Sales Practices	69W-600.013(1)(h)3, 17 CFR 230.144, 17 CFR 230.144A	Persons Not Engaged in Distributions or an Underwriter	Notice of Non-Compliance, Fine A to Fine C, Restriction, Suspension A to Suspension C	Fine A to Fine C, Restriction, Suspension B to Suspension C, Bar	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar
123	Dealer/Agent Sales Practices	69W-600.013(1)(h)4, 17 CFR 242.200-242.203, NASD Conduct Rule 3210	Short Sale Delivery Requirements	Notice of Non-Compliance, Fine B to Fine C, Restriction, Suspension A	Fine C to Fine D, Restriction, Suspension A to Suspension C	Fine D, Suspension B to Suspension C, Revocation, Bar
124	Dealer/Agent Sales Practices	69W-600.013(1)(h)5, MSRB General Rule G10	Delivery of Investor Brochure	Notice of Non-Compliance, Fine A	Fine A	Fine B, Suspension A
125	Dealer/Agent Sales Practices	69W-600.013(1)(h)5, MSRB General Rule G15	Confirmation, Clearance, Settlement and Other Uniform Practice Requirements with Respect to Transactions with Customers	Notice of Non-Compliance, Fine A	Fine A	Fine B, Suspension A
126	Dealer/Agent Sales Practices	69W-600.013(1)(h)5, MSRB General Rule G29	Availability of Board rules	Notice of Non-Compliance, Fine A	Fine A	Fine B, Suspension A
127	Dealer/Agent Sales Practices	69W-600.013(1)(h)5, MSRB General Rule G34	CUSIP numbers, new issue, and market information requirements	Notice of Non-Compliance, Fine A	Fine A	Fine B, Suspension A
128	Dealer/Agent Sales Practices	69W-600.013(1)(h)5, MSRB General Rule G39	Telemarketing	Notice of Non-Compliance, Fine A to Fine B, Restriction	Fine B to Fine D, Restriction	Fine D
129	Dealer/Agent Sales Practices	69W-600.013(1)(h)5, MSRB General Rule G41	Anti-money laundering compliance program	Notice of Non-Compliance, Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
130	Dealer/Agent Sales Practices	69W-600.013(1)(h)5, MSRB General Rules G7-9	Books and Records	Notice of Non-Compliance, <u>Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar</u>	<u>Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar</u>	<u>Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar</u> <del>Fine B, Suspension A</del>

Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days

Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes

<b>Violation #</b>	<b>Violation Category</b>	<b>Statute or Code</b>	<b>Short Description</b>	<b>1st Occurrence</b>	<b>2nd Occurrence</b>	<b>3rd and Subsequent Occurrence(s)</b>
131	Dealer/Agent Sales Practices	69W-600.013(1)(h)5, Section 15B of the Securities Exchange Act of 1934 , MSRB Definitional Rules D1-12, MSRB General Rules G1-6, G11-14, G17-28, G30-33, G37, G38	Prohibited Business Practices for Dealers and Their Associated Persons	Notice of Non-Compliance, Fine B to Fine D, Restriction	Fine B to Fine D, Suspension A	Fine B to Fine D, Suspension B to Suspension C
132	Dealer/Agent Sales Practices	69W-600.013(1)(i)	Prospectuses	Notice of Non-Compliance, Fine B to Fine C	Fine B to Fine D, Suspension A to Suspension B	Fine C to Fine D, Restriction, Suspension C
133	Dealer/Agent Sales Practices	69W-600.013(1)(j)	Using Unregistered Clearing Dealer	Notice of Non-Compliance, Fine C to Fine D, Restriction	Fine C to Fine D, Suspension A to Suspension B	Fine D, Restriction, Suspension C
134	Dealer/Agent Sales Practices	69W-600.013(1)(k)	Recommending Use of an Unregistered Investment Adviser	Notice of Non-Compliance, Fine B to Fine D, Restriction	Fine C to Fine D, Suspension A to Suspension B, Restriction	Fine D, Restriction, Suspension C
135	Dealer/Agent Sales Practices	69W-600.013(1)(l)	Receiving Compensation from an Adviser	Notice of Non-Compliance, Fine B to Fine D, Restriction	Fine C to Fine D, Suspension A to Suspension B, Restriction	Fine D, Restriction, Suspension C, Revocation
136	Dealer/Agent Sales Practices	69W-600.013(1)(m)	Sale of Non-Exempt Securities	Notice of Non-Compliance, Fine A to Fine C, Restriction, Suspension A to Suspension C	Fine A to Fine C, Restriction, Suspension B to Suspension C, Bar	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar
137	Dealer/Agent Sales Practices	69W-600.013(1)(m) Section 15D of the Securities Exchange Act of 1934	Securities Analyst and Research Reports	Notice of Non-Compliance, Fine C to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine D, Restriction, Suspension C, Revocation, Bar
138	Dealer/Agent Sales Practices	69W-600.013(1)(m) Section 13 of the Securities Exchange Act of 1934	Periodic and Other Reports	Notice of Non-Compliance, Fine C to Fine D	Fine D	Fine D
139	Dealer/Agent Sales Practices	69W-600.013(1)(n)	Providing False Client Data	Notice of Non-Compliance, Fine C to Fine D, Suspension B to Suspension C, Restriction, Revocation, Bar	Fine C to Fine D, Suspension B to Suspension C, Restriction, Revocation, Bar	Fine D, Revocation, Bar

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Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
140	Dealer/Agent Sales Practices	69W-600.013(1)(o)	Senior - Specific Certifications and Professional Designations	Notice of Non-Compliance, Fine C to Fine D, Suspension A to Suspension B, Restriction	Fine C to Fine D, Suspension B to Suspension C, Restriction, Revocation, Bar	Fine D, Revocation, Bar
141	Dealer/Agent Sales Practices	69W-600.013(2)(a)	Borrowing From or Lending to Customers	Notice of Non-Compliance, Fine B to Fine C, Restriction, Suspension A to Suspension C	Fine D, Restriction, Suspension B to Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar
142	Dealer/Agent Sales Practices	69W-600.013(2)(b)	Acting as Custodian for Money or Executed Stock Power	Fine C to Fine D, Suspension A to Suspension C, Revocation	Fine C to Fine D, Revocation, Bar	Fine C to Fine D, Revocation, Bar
143	Dealer/Agent Sales Practices	69W-600.013(2)(c)	Effecting Transactions Not Recorded on the Books of the Dealer	Fine C to Fine D, Suspension A to Suspension C, Revocation	Fine C to Fine D, Revocation, Bar	Fine C to Fine D, Revocation, Bar
144	Dealer/Agent Sales Practices	69W-600.013(2)(d)	Operating an Account Under a Fictitious Name	Fine C to Fine D, Suspension A to Suspension C, Revocation	Fine C to Fine D, Revocation, Bar	Fine C to Fine D, Revocation, Bar
145	Dealer/Agent Sales Practices	69W-600.013(2)(e)	Sharing in the Profits or Losses in an Account	Fine C to Fine D, Suspension A to Suspension C, Revocation	Fine C to Fine D, Revocation, Bar	Fine C to Fine D, Revocation, Bar
146	Dealer/Agent Sales Practices	69W-600.013(2)(f)	Splitting Commissions	Fine C to Fine D, Suspension A to Suspension C, Revocation	Fine C to Fine D, Revocation, Bar	Fine C to Fine D, Revocation, Bar
147	Dealer/Agent Sales Practices	69W-600.013(2)(h) - [(1)(n)]	Providing False Client Data	Notice of Non-Compliance, Fine C to Fine D, Suspension B to Suspension C, Restriction, Revocation, Bar	Fine C to Fine D, Suspension B to Suspension C, Restriction, Revocation, Bar	Fine D, Revocation, Bar
148	Dealer/Agent Sales Practices	69W-600.013(2)(h) - [(1)(o)]	Senior - Specific Certifications and Professional Designations	Notice of Non-Compliance, Fine C to Fine D, Suspension A to Suspension B, Restriction	Fine C to Fine D, Suspension B to Suspension C, Restriction, Revocation, Bar	Fine D, Revocation, Bar
149	Dealer/Agent Registration	<del>69W-600.0013</del> <del>69W-400.002</del>	<del>Application for Registration as an Issuer/Dealer</del> <del>Registration of Issuer Under Section 517.051(9), F.S. as Dealer.</del>	Notice of Non-Compliance, Fine A, Suspension A to Suspension C, Revocation	Fine B, Suspension A to Suspension C, Revocation	Fine B, Suspension B to Suspension C, Revocation

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Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes

Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
150	Dealer/Agent Registration	69W-600.001	Registration of associated persons specific as to securities dealer, investment adviser, or federal covered adviser identified at time of registration approval	Notice of Non-Compliance, Fine A to Fine D, Restriction, Suspension B to C	Fine B to Fine D, Restriction, Suspension B to C, Revocation	Fine C to Fine D, Restriction, Suspension B to C, Revocation
<u>151</u>	<u>Dealer/Agent Registration</u>	<u>69W-600.0012</u>	<u>Application for Registration as a Dealer (non-FINRA)</u>	<u>Notice of Non-Compliance, Fine A to Fine D, Restriction, Suspension B to C</u>	<u>Fine B to Fine D, Restriction, Suspension B to C, Revocation</u>	<u>Fine C to Fine D, Restriction, Suspension B to C, Revocation</u>
<u>152</u>	<u>Dealer/Agent Registration</u>	<u>69W-600.0017</u>	<u>Notice-Filing for Federal Covered Advisers</u>	<u>Notice of Non-Compliance, Fine A to Fine D, Restriction, Suspension B to C</u>	<u>Fine B to Fine D, Restriction, Suspension B to C, Revocation</u>	<u>Fine C to Fine D, Restriction, Suspension B to C, Revocation</u>
<u>153</u> <del>154</del>	Dealer/Agent Registration	69W-600.002	Application for Registration as an Associated Person ( <u>FINRA Dealer</u> )	Notice of Non-Compliance, Fine A to Fine D, Restriction, Suspension B to C	Fine B to Fine D, Restriction, Suspension B to C, Revocation	Fine C to Fine D, Restriction, Suspension B to C, Revocation
<u>154</u>	<u>Dealer/Agent Registration</u>	<u>69W-600.0022</u>	<u>Application for Registration as an Associated Person (Non-FINRA Dealer)</u>	<u>Notice of Non-Compliance, Fine A to Fine D, Restriction, Suspension B to C</u>	<u>Fine B to Fine D, Restriction, Suspension B to C, Revocation</u>	<u>Fine C to Fine D, Restriction, Suspension B to C, Revocation</u>
<u>155</u>	<u>Dealer/Agent Registration</u>	<u>69W-600.0023</u>	<u>Application for Registration as an Associated Person (Issuer/Dealer)</u>	<u>Notice of Non-Compliance, Fine A to Fine D, Restriction, Suspension B to C</u>	<u>Fine B to Fine D, Restriction, Suspension B to C, Revocation</u>	<u>Fine C to Fine D, Restriction, Suspension B to C, Revocation</u>
<u>156</u> <del>152</del>	Dealer Books and Records	69W-600.012(1) 17 CFR 240.10b-10, 17 CFR 240.17a-3, MSRB Rules G-8, MSRB Rule G-15	Confirmation of Transactions	Notice of Non-Compliance, Fine A to Fine B	Fine A to Fine B, Restriction, Suspension A to Suspension B	Fine A to Fine C, Restriction, Suspension A to Suspension C, Revocation
<u>157</u> <del>153</del>	Dealer/Agent Anti-Fraud	69W-600.012(2)	Customer Contracts - Prohibitions	Notice of Non-Compliance, Fine A to Fine C	Fine A to Fine C, Restriction, Suspension A to Suspension B	Fine A to Fine C, Restriction, Suspension A to Suspension C, Revocation
<u>158</u> <del>154</del>	Dealer/Agent Anti-Fraud	69W-600.012(3)	Withdrawal of Net Worth	Fine A to Fine C, Suspension A to Suspension B	Fine B to Fine C, Suspension A to Suspension C	Fine B to Fine C, Suspension A to Suspension C, Revocation

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Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes

Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
<del>159</del> 155	Dealer Books and Records	69W-600.012(4)	Copies of Contracts to be Provided to Customers	Notice of Non-Compliance, Fine A to Fine C, Suspension A to Suspension B	Fine B to Fine C, Suspension A to Suspension C	Fine B to Fine C, Suspension A to Suspension C, Revocation
<del>160</del> 156	Dealer/Agent Sales Practices	69W-600.0133(1)	Use of Senior-Specific Certifications and Professional Designations by Associated Persons and Investment Advisers.	Notice of Non-Compliance, Fine C to Fine D, Suspension A to Suspension B, Restriction	Fine C to Fine D, Suspension B to Suspension C, Restriction, Revocation, Bar	Fine D, Revocation, Bar
<del>161</del> 157	Dealer Securities Registration	69W-700.015(4)	Offering Price of Equity Securities.	Notice of Non-Compliance, Fine C to Fine D	Fine C to Fine D, Suspension	Fine D, Suspension C, Revocation, Bar
<del>162</del> 158	Dealer Securities Registration	69W-700.019	Submission of Sales Reports.	Notice of Non-Compliance, Fine A to Fine B	Fine B to Fine C	Fine D
<del>163</del> 159	Dealer Securities Registration	69W-700.020	Termination Date of Registration, Prospectuses not to be Used After Certain Date.	Notice of Non-Compliance, Fine A to Fine B	Fine B to Fine C	Fine D
<del>164</del> 160	Dealer Securities Registration	69W-700.027	Loans and Other Affiliated Transactions.	Fine C to Fine D, Suspension B to Suspension C, Revocation	Fine D, Restriction, Suspension C, Revocation, Bar	Fine D, Suspension C, Revocation, Bar
<del>165</del> 161	Dealer Securities Registration	69W-700.009	Escrow of Proceeds from Sale of Securities.	Fine C to Fine D	Fine C to Fine D, Suspension	Fine D, Suspension C, Revocation, Bar
<del>166</del> 162	Dealer Securities Registration	69W-700.012(5)	Oil and Gas Participation Plans.	Notice of Non-Compliance, Fine C to Fine D, Suspension B to Suspension C, Restriction, Revocation, Bar	Fine D, Restriction, Suspension B to Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar
<del>167</del> 163	Dealer Securities Registration	69W-700.028	Small Corporate Offering Registration ("SCOR" Offering).	Notice of Non-Compliance, Fine A to Fine B	Fine B to Fine C	Fine D
164	<del>Dealer/Agent Registration</del>	<del>69W-600.004(1) and (2)</del>	<del>Registration of Issuer/Dealers and Principals.</del>	<del>Notice of Non-Compliance, Fine A</del>	<del>Notice of Non-Compliance, Fine A</del>	<del>Fine B, Restriction</del>
<del>168</del> 165	Dealer/Agent Registration	<del>69W-600.0031</del> 69W-600.004(3)	<del>Notice-Filing of Branch Office (FINRA Dealer) Branch Office Notification</del>	Fine C to Fine D and Summary Suspension of Branch, Revocation	\$10,000 Fine and Summary Suspension of Branch, Revocation	\$10,000 Fine and Summary Suspension of Branch, Revocation

Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days

Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes

Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
<u>169</u>	<u>Dealer/Agent Registration</u>	<u>69W-600.0032</u>	<u>Notice-Filing of Branch Office (Non-FINRA Dealer)</u>	<u>Fine C to Fine D and Summary Suspension of Branch, Revocation</u>	<u>\$10,000 Fine and Summary Suspension of Branch, Revocation</u>	<u>\$10,000 Fine and Summary Suspension of Branch, Revocation</u>
<u>170</u>	<u>Dealer/Agent Registration</u>	<u>69W-600.0033</u>	<u>Notice Filing of Branch Office (Issuer/Dealer)</u>	<u>Fine C to Fine D and Summary Suspension of Branch, Revocation</u>	<u>\$10,000 Fine and Summary Suspension of Branch, Revocation</u>	<u>\$10,000 Fine and Summary Suspension of Branch, Revocation</u>
<u>166</u>	<u>Dealer/Agent Registration</u>	<u>69W-600.008</u>	<u>Termination of Registration as a Dealer, Principal or Agent, or Branch Office Notification</u>	<u>Notice of Non-Compliance, Fine A to Fine B</u>	<u>Notice of Non-Compliance, Fine A to Fine C</u>	<u>Fine B to Fine D</u>
<u>171</u>	<u>Dealer/Agent Registration</u>	<u>69W-600.0015</u>	<u>Canadian Dealer Notice-Filing</u>	<u>Fine C to Fine D and Summary Suspension of Notice-Filing, Revocation</u>	<u>\$10,000 Fine and Summary Suspension of Notice-Filing, Revocation</u>	<u>\$10,000 Fine and Summary Suspension of Notice-Filing, Revocation</u>
<u>172 167</u>	Dealer Financial Reporting	69W-600.0151	Net Capital Requirements for Dealers	Notice of Non-Compliance, Fine A to Fine D, Restriction, Suspension A to Suspension B, Revocation	Fine B to Fine D, Suspension A to Suspension C, Revocation	Fine C to Fine D, Suspension B to Suspension C, Revocation, Bar
<u>173 168</u>	Dealer/Agent Registration	69W-600.020 NASD Membership and Registration Rule 1120, NYSE Rule 345A, MSRB General Rule G-3(h), ASE Rule 341A, Article VI, Rule 9 of the CSE	Continuing Education Requirements.	Fine A to Fine B, Suspension A to Suspension C	Fine B to Fine C, Suspension B to Suspension C	Fine C to Fine D, Suspension B to Suspension C
<u>169</u>	<u>Dealer/Agent Registration</u>	<u>69W-600.010</u>	<u>Notice of Civil, Criminal or Administrative Action</u>	<u>Notice of Non-Compliance, Fine A to Fine D, Restriction, Suspension B to C</u>	<u>Fine B to Fine D, Restriction, Suspension B to C, Revocation</u>	<u>Fine C to Fine D, Restriction, Suspension B to C, Revocation</u>
<u>174 170</u>	Dealer Financial Reporting	69W-600.017 17 CFR 240.15c3-3	Customer Protection Rule - Reserve Requirements and Custody of Customer Funds and Securities.	Fine C to Fine D, Restriction, Suspension A	Fine D, Restriction, Suspension B to Suspension C, Revocation	Fine D, Suspension C, Revocation, Bar
<u>175 171</u>	Dealer Books and Records	69W-600.014(1) CFR 240.17a-3, CFR 240.17a-4, MSRB General Rules G-7 -G-9, NASD Conduct Rule 3000	Books and Records Requirements.	Notice of Non-Compliance, Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar

Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days

Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.122, Florida Statutes; Bar – Section 517.221(4), Florida Statutes

Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
<u>176</u> 472	Dealer Books and Records	69W-600.014(2) 17 CFR 240.17a-3	Books and Records Requirements.	Notice of Non-Compliance, Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar
<u>177</u> 473	Dealer Books and Records	69W-600.014(5) 17 CFR 240.17a-4, MSRB General Rule G-9	Books and Records Requirements.	Notice of Non-Compliance, Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar
<u>178</u> 474	Dealer Books and Records	69W-600.014(7) 17 CFR 240.17a-4, MSRB General Rule G-9	Books and Records Requirements.	Notice of Non-Compliance, Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar
<u>175</u>	Dealer/Agent Registration	69W-600.008	Termination of Registration as a Dealer, Principal or Agent, or Branch Office Notification	Notice of Non-Compliance, Fine A to Fine B	Fine A to Fine C	Fine B to Fine D
<u>179</u> 476	Dealer/Agent Anti-Fraud	69W-600.012(5), 17 CFR 240.9b-1, 17 CFR 240.10b-1 et seq, 17 CFR 242.601, 17 CFR 240.15c1-1 et seq, 17 CFR 240.15c2-1 et seq, 17 CFR 240.15g-1 et seq, 17 CFR 242.100-105	Anti-Fraud	Fine D, Revocation, Bar	Fine D, Revocation, Bar	Fine D, Revocation, Bar
<u>180</u> 477	Dealer/Agent Sales Practices	69W-600.013(2)(g)	Failure to Provide Florida Guide to Small Business Investments (SCOR)	Notice of Non-Compliance, Fine A to Fine B	Fine A to Fine B	Fine A to Fine B
<u>181</u> 478	Dealer/Agent Sales Practices	69W-600.013(2)(h) - [(1)(a)]	Extension of Credit	Notice of Non-Compliance, Fine B to Fine C	Fine B to Fine D, Suspension A to Suspension B, Revocation	Fine C to Fine D, Suspension B to Suspension C, Revocation, Bar
<u>182</u> 479	Dealer/Agent Sales Practices	69W-600.013(2)(h) - [(1)(e)]	Failing to Execute an Order	Notice of Non-Compliance, Fine B to Fine D, Restriction	Fine B to Fine D, Suspension A to Suspension C, Restriction	Fine D, Suspension A to Suspension C, Revocation, Bar
<u>183</u> 480	Dealer/Agent Sales Practices	69W-600.013(2)(h) - [(1)(f)]	Unregistered Securities	Notice of Non-Compliance, Fine A to Fine C, Restriction, Suspension A to Suspension C	Fine A to Fine C, Restriction, Suspension B to Suspension C, Bar	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar

Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days

Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes



<b>Violation #</b>	<b>Violation Category</b>	<b>Statute or Code</b>	<b>Short Description</b>	<b>1st Occurrence</b>	<b>2nd Occurrence</b>	<b>3rd and Subsequent Occurrence(s)</b>
<u>184</u> <del>181</del>	Dealer/Agent Sales Practices	69W-600.013(2)(h) - [(1)(g)]	Representation of Qualifications	Notice of Non-Compliance, Fine C to Fine D, Restriction	Fine C to Fine D, Suspension B to Suspension C, Restriction, Revocation	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar
<u>185</u> <del>182</del>	Dealer/Agent Sales Practices	69W-600.013(2)(h) - [(1)(i)]	Using Unregistered Clearing Dealer	Notice of Non-Compliance, Fine C to Fine D, Restriction, Suspension A to Suspension C	Fine C to Fine D, Suspension A to Suspension C	Fine D, Restriction, Suspension C, Revocation
<u>186</u> <del>183</del>	Dealer/Agent Sales Practices	69W-600.013(2)(h) - [(1)(k)]	Recommending Use of an Unregistered Investment Adviser	Notice of Non-Compliance, Fine B to Fine D, Restriction	Fine C to Fine D, Suspension A to Suspension B, Restriction	Fine D, Restriction, Suspension C
<u>187</u> <del>184</del>	Dealer/Agent Sales Practices	69W-600.013(2)(h) - [(1)(l)]	Receiving Compensation from an Adviser	Notice of Non-Compliance, Fine B to Fine D, Restriction	Fine C to Fine D, Suspension A to Suspension B, Restriction	Fine D, Restriction, Suspension C
<u>188</u> <del>185</del>	Dealer/Agent Sales Practices	69W-600.013(2)(h) - [(1)(m)]	Sale of Non-Exempt Securities	Notice of Non-Compliance, Fine A to Fine C, Restriction, Suspension A to Suspension C	Fine A to Fine C, Restriction, Suspension B to Suspension C, Bar	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar
<u>189</u> <del>186</del>	Adviser/Agent Registration	517.12	Registration of investment advisers and associated persons; and notification of branch offices	Notice of Non-Compliance, Fine A to Fine C, Restriction, Suspension A to Suspension C	Fine A to Fine C, Restriction, Suspension B to Suspension C, Bar	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar
<u>190</u> <del>187</del>	Adviser Branch Office Notification	517.1202	Notice-filing of branch offices	Fine C to Fine D and Summary Suspension of Branch, Revocation	\$10,000 Fine and Summary Suspension of Branch, Revocation	\$10,000 Fine and Summary Suspension of Branch, Revocation
<u>191</u> <del>188</del>	Adviser Books and Records	517.121(1),(2)	Books and records requirements;examinations.	Notice of Non-Compliance, Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine C, Suspension B to Suspension C, Revocation, Bar	Fine B to Fine D, Suspension B to Suspension C, Revocation, Bar
<u>192</u> <del>189</del>	Adviser Books and Records	517.121(3)	Books and records requirements; examinations.	Summary Suspension	Summary Suspension	Summary Suspension
<u>193</u> <del>190</del>	Adviser/Agent Registration	517.161	Revocation, denial, or suspension of registration of dealer, investment adviser, or associated person, or branch office notification.	Denial without prejudice to reapply, Denial, Restriction, Suspension, Summary Suspension, Revocation, Bar	Denial without prejudice to reapply, Denial, Restriction, Suspension, Summary Suspension, Revocation, Bar	Denial without prejudice to reapply, Denial, Restriction, Suspension, Summary Suspension, Revocation, Bar

Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days

Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes

Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
<u>194</u> <del>194</del>	Adviser/Agent Anti-Fraud	517.275	Commodities; prohibited practices.	Restriction, Fine A to Fine D, Suspension A to Suspension C, Revocation, Bar	Restriction, Fine A to Fine D, Suspension A to Suspension C, Revocation, Bar	Restriction, Fine A to Fine D, Suspension A to Suspension C, Revocation, Bar
<u>195</u> <del>192</del>	Adviser/Agent Anti-Fraud	517.301	Fraudulent transactions; falsification or concealment of facts.	Fine D, Revocation, Bar	Fine D, Revocation, Bar	Fine D, Revocation, Bar
<u>196</u> <del>193</del>	Adviser/Agent Anti-Fraud	517.311	False representations; deceptive words; enforcement.	Fine D, Revocation, Bar	Fine D, Revocation, Bar	Fine D, Revocation, Bar
<u>197</u> <del>194</del>	Adviser/Agent Anti-Fraud	517.312	Securities, investments, boiler rooms; prohibited practices; remedies.	Fine D, Revocation, Bar	Fine D, Revocation, Bar	Fine D, Revocation, Bar
<del>195</del>	<del>Adviser/Agent Registration</del>	<del>69W-600.0093</del>	<del>Investment Adviser Registration Depository for Investment Advisers</del>	<del>Notice of Non-Compliance</del>	<del>Fine A</del>	<del>Fine B</del>
<u>198</u> <del>196</del>	Adviser/Agent Registration	<del>69W-600.0016</del> <del>69W-600.001</del>	Application for Registration as an Investment Adviser ( <u>State Registered</u> )	Notice of Non-Compliance, Fine A to Fine D, Restriction, Suspension B to C	Fine B to Fine D, Restriction, Suspension B to C, Revocation	Fine C to Fine D, Restriction, Suspension B to C, Revocation
<u>199</u> <del>197</del>	Adviser/Agent Registration	<del>69W-600.0024</del> <del>69W-600.002</del>	Application for Registration as an Associated Person ( <u>Investment Adviser</u> )	Notice of Non-Compliance, Fine A to Fine D, Restriction, Suspension B to C	Fine B to Fine D, Restriction, Suspension B to C, Revocation	Fine C to Fine D, Restriction, Suspension B to C, Revocation
<del>198</del>	<del>Adviser/Agent Registration</del>	<del>69W-600.010</del>	<del>Notice of Civil, Criminal or Administrative Action</del>	<del>Notice of Non-Compliance, Fine A to Fine D, Restriction, Suspension B to C</del>	<del>Fine B to Fine D, Restriction, Suspension B to C, Revocation</del>	<del>Fine C to Fine D, Restriction, Suspension B to C, Revocation</del>
<u>200</u>	<u>Adviser/Agent Registration</u>	<u>69W-600.0034</u>	<u>Notice-Filing of Branch Office (Investment Adviser)</u>	<u>Fine C to Fine D and Summary Suspension of Branch, Revocation</u>	<u>\$10,000 Fine and Summary Suspension of Branch, Revocation</u>	<u>\$10,000 Fine and Summary Suspension of Branch, Revocation</u>
<u>201</u> <del>199</del>	Adviser Sales Practices	69W-600.0131(1) (subsections (c), (e), (h), (m), (q), (r), and (s))	Prohibited Business Practices for Investment Advisers and Their Associated Persons.	Notice of Non-Compliance, Restriction, Fine B to Fine D	Fine B to Fine D, Suspension A to Suspension B	Fine C to Fine D, Suspension B to Suspension C
<u>202</u> <del>200</del>	Adviser Sales Practices	69W-600.0131(1)(a) (15 USC 80b-4)	Reports by Investment Advisers	Notice of Non-Compliance, Fine A to Fine B, Suspension B to Suspension C, Summary Suspension, Revocation, Bar	Fine A to Fine C, Suspension B to Suspension C, Summary Suspension, Revocation, Bar	Fine B to Fine D, Suspension B to Suspension C, Summary Suspension, Revocation, Bar

Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days

Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes

<b>Violation #</b>	<b>Violation Category</b>	<b>Statute or Code</b>	<b>Short Description</b>	<b>1st Occurrence</b>	<b>2nd Occurrence</b>	<b>3rd and Subsequent Occurrence(s)</b>
<u>203</u> <del>201</del>	Adviser Sales Practices	69W-600.0131(1)(a) (15 USC 80b-4a)	Prevention of Misuse of Nonpublic Information	Notice of Non-Compliance, Fine A to Fine C, Restriction, Suspension A to Suspension C	Fine A to Fine C, Restriction, Suspension B to Suspension C, Bar	Fine B to Fine D, Restriction, Suspension C, Revocation, Bar
<u>204</u> <del>202</del>	Adviser Sales Practices	69W-600.0131(1)(a) (15 USC 80b-5)	Investment Advisory Contracts -	Notice of Non-Compliance, Restriction, Fine B to Fine D,	Fine B to Fine D, Suspension A to Suspension B	Fine C to Fine D, Suspension B to Suspension C
<u>205</u> <del>203</del>	Adviser Sales Practices	69W-600.0131(1)(a) (15 USC 80b-6)	Prohibited Transactions by Investment Advisers	Fine D, Revocation, Bar	Fine D, Revocation, Bar	Fine D, Revocation, Bar
<u>206</u> <del>204</del>	Adviser Sales Practices	69W-600.0131(1)(a) (15 USC 80b-7)	Material Misstatement	Denial, Restriction, Suspension, Summary Suspension, Revocation, Bar	Denial, Restriction, Suspension, Summary Suspension, Revocation, Bar	Denial, Restriction, Suspension, Summary Suspension, Revocation, Bar
<u>207</u> <del>205</del>	Adviser Sales Practices	69W-600.0131(1)(a) (15 USC 80b-8)	General Prohibitions	Fine D, Revocation, Bar	Fine D, Revocation, Bar	Fine D, Revocation, Bar
<u>208</u> <del>206</del>	Adviser Sales Practices	69W-600.0131(1)(a) (17 CFR 275.204-1 and 17 CFR 275.204-3)	Amendments to Form ADV and Delivery of Brochures and Supplements	Notice of Non-Compliance, Fine A to Fine B	Fine A to Fine C, Suspension A to Suspension B	Fine B to Fine D, Suspension B to Suspension C, Revocation, Bar
<u>209</u> <del>207</del>	Adviser Sales Practices	69W-600.0131(1)(a) (17 CFR 275.205-1, 17 CFR 275.205-2, and 17 CFR 275.205-3)	Contracts	Notice of Non-Compliance, Fine A to Fine B	Fine A to Fine C, Suspension A	Fine C to Fine D, Suspension B to Suspension C, Revocation, Bar
<u>210</u> <del>208</del>	Adviser Sales Practices	69W-600.0131(1)(a) (17 CFR 275.206(3)-1, 17 CFR 275.206(3)-2, 17 CFR 275.206(4)-1, and 17 CFR 275.206(4)-3)	Prohibited Transactions	Notice of Non-Compliance, Fine B to Fine D, Suspension A to Suspension C, Revocation, Bar	Fine A to Fine D, Suspension A to Suspension C, Revocation, Bar	Fine B to Fine D, Suspension B to Suspension C, Revocation, Bar
<u>211</u> <del>209</del>	Adviser Sales Practices	69W-600.0131(1)(a) (17 CFR 275.206(4)-7)	Compliance Procedures and Practices	Notice of Non-Compliance, Fine A to Fine C, Suspension B to Suspension C, Revocation, Bar	Fine B to Fine D, Suspension B to Suspension C, Revocation, Bar	Fine B to Fine D, Suspension B to Suspension C, Revocation, Bar

**Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days**

**Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes**

Violation #	Violation Category	Statute or Code	Short Description	1st Occurrence	2nd Occurrence	3rd and Subsequent Occurrence(s)
<u>212</u> <del>210</del>	Adviser Sales Practices	69W-600.0131(1) (subsections (b), (d), (f), (g), (i), (j), (k), (l), (n), (o), (p), (t), (u), (v), and (w))	Prohibited Business Practices for Investment Advisers and Their Associated Persons.	Notice of Non-Compliance, Fine B to Fine D, Restriction, Suspension A to Suspension C, Revocation, Bar	Fine D, Restriction, Suspension B to Suspension C, Revocation, Bar	Fine D, Revocation, Bar
<del>211</del>	<del>Adviser Financial Reporting</del>	<del>69W 300.002(4), 17 CFR 240.15e3-1</del>	<del>Financial Statements and Reports</del>	<del>Notice of Non-Compliance, Fine A, Suspension A to Suspension C, Revocation</del>	<del>Fine B, Suspension A to Suspension C, Revocation</del>	<del>Fine B, Suspension B to Suspension C, Revocation</del>
<u>213</u> <del>212</del>	Adviser Financial Reporting	69W-600.0161	Net Capital and Financial Reporting Requirements for Investment Advisers	Notice of Non-Compliance, Fine A to Fine C, Restriction, Suspension A to Suspension C, Revocation	Fine B to Fine D, Restriction, Suspension A to Suspension C, Revocation	Fine C to Fine D, Suspension B to Suspension C, Revocation, Bar
<u>214</u> <del>213</del>	Adviser Books and Records	69W-600.012(3)	Rules of Conduct	Restriction, Fine A to Fine C, Suspension A to Suspension B	Restriction, Fine B to Fine C, Suspension A to Suspension C	Fine B to Fine C, Suspension A to Suspension C, Revocation
<u>215</u> <del>214</del>	Adviser Books and Records	69W-600.012(4) 17 CFR 275.204-2	Books and Records to Be Maintained by Investment Advisers	Notice of Non-Compliance, Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine C, Suspension B to Suspension C, Revocation, Bar	Fine B to Fine D, Suspension B to Suspension C, Revocation, Bar
<u>216</u> <del>215</del>	Adviser Books and Records	69W-600.0132(2)	Custody Requirements for Investment Advisers	Notice of Non-Compliance, Fine C to Fine D, Suspension A to Suspension C	Fine C to Fine D, Restriction, Suspension B to Suspension C	Fine D, Suspension C, Revocation, Bar
<u>217</u> <del>216</del>	Adviser Books and Records	69W-600.0131(1)(a), 17 CFR 275.204-3	Books and Records	Notice of Non-Compliance, Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine C, Suspension B to Suspension C, Revocation, Bar	Fine B to Fine D, Suspension B to Suspension C, Revocation, Bar
<u>218</u> <del>217</del>	Adviser Books and Records	69W-600.014(3), 17 CFR 275.204-2, 17 CFR 275.204-2(11), 17 CFR 275.204-3, 17 CFR 206(4)-3, 17 CFR 204-2(16)	Books and Records Requirements.	Notice of Non-Compliance, Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar

Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days

Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes

<b>Violation #</b>	<b>Violation Category</b>	<b>Statute or Code</b>	<b>Short Description</b>	<b>1st Occurrence</b>	<b>2nd Occurrence</b>	<b>3rd and Subsequent Occurrence(s)</b>
<u>219</u> <del>218</del>	Adviser Books and Records	69W-600.014(7)(c) - (e), 17 CFR 275.204-2	Books and Records Requirements.	Notice of Non-Compliance, Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar	Fine A to Fine B, Suspension B to Suspension C, Revocation, Bar
<u>220</u> <del>219</del>	Adviser/Agent Sales Practices	69W-600.0133(1)	Use of Senior-Specific Certifications and Professional Designations by Associated Persons and Investment Advisers.	Notice of Non-Compliance, Fine C to Fine D, Suspension A to Suspension B, Restriction	Fine C to Fine D, Suspension B to Suspension C, Restriction, Revocation, Bar	Fine D, Revocation, Bar

Fine A = Up to \$2,000; Fine B = \$2,001 to \$5,000; Fine C = \$5,001 to \$7,500; Fine D = \$7,501 to \$10,000 / Suspension A = Up to 5 days; Suspension B = 6 to 30 days; Suspension C = over 30 days

Statutory authority: Fine – Section 517.221(3), Florida Statutes; Restriction – Section 517.161, Florida Statutes; Suspension, Revocation – Section 517.111 and 517.161, Florida Statutes; Summary Suspension – Section 517.121 and 517.1202, Florida Statutes; Bar – Section 517.221(4), Florida Statutes

# ATTACHMENT 5



# **FLORIDA OFFICE OF FINANCIAL REGULATION**

## ***2017 Legislative Proposals***

**Public Records Exemption for Nonsworn Investigative Personnel.** The agency intends to seek a public records exemption for certain personal identifying and location information of OFR nonsworn investigative personnel and their families. The exemption would be modeled after the Department of Financial Services' ("DFS") bill from the 2016 Legislative Session that created a public records exemption within Section 119.071, Florida Statutes, for nonsworn investigative personnel at DFS.

OFR investigators work within our agency's Bureau of Financial Investigations ("Bureau"), which is tasked with "conduct[ing] investigations within or outside this state as the bureau deems necessary to aid in the enforcement of [the statutory provision that establishes the OFR]." See Section 20.121(3)(a)2., Florida Statutes. The Bureau has 39 FTEs that are housed in our agency's offices throughout the state. Although the investigators are nonsworn, they do work cases independently and collaboratively with law enforcement and prosecutorial agencies. They also provide investigative assistance to those agencies, including testimony at trial. See Section 20.121(3)(a)2., Florida Statutes.

In the 2016 Legislative Session, DFS successfully sought a public records exemption to exempt from disclosure the home addresses, telephone numbers, dates of birth, and photographs of current or former nonsworn investigative personnel, as well as similar location and identification information for the spouses and children of such personnel. In doing so, DFS cited "numerous instances of personnel who have been threatened and who have feared repercussions as a result of carrying out their duties. These threats have included weapons being brandished, verbal threats made to harm them or their family members, harassment, and intimidation." See Chapter 2016-159, Laws of Florida. Similarly, our agency has documented instances in which our investigators and their families have experienced threats and other alarming repercussions stemming from the work they do. Examples include a person associated with an investigation appearing at the investigator's former residence, where his young children still resided, to deliver a package; and an investigator's name appearing on a credible hit list that was found by U.S. Marshals during the search of a suspect's home. We believe that these documented incidents are sufficiently compelling to warrant a public records exemption that would protect the personal identifying and location information of our nonsworn investigative personnel, their spouses, and their children.

**Modernization of the International Banking Chapter Within the Financial Institutions Codes.** The OFR Division of Financial Institutions is working with the Florida International Bankers Association (FIBA) to workshop updates to Florida's existing international banking chapter, Chapter 663, Florida Statutes. The chapter has not been reviewed and updated in its entirety in more than two decades. The goal of modernizing Chapter 663 is to ensure that Florida remains competitive with the international banking laws of other states, and to improve the agency's processes for its licensees.

Below are some of the changes that will be proposed:

- *Capital requirements for international banking corporations (IBCs) seeking to do business in Florida* – Currently, Section 663.055, Florida Statutes, contains static, absolute minimum capital requirements for IBCs seeking to establish an agency, branch, or other office in Florida:
  - Establishment of a representative office: \$20 million

- Establishment of an agency, branch, or administrative office: \$40 million, or between \$20 million and \$40 million if certain conditions are met.

The changes to Chapter 663 will seek to align Florida's capital requirements for international banks with modern methodologies which take a risk-based approach that is sensitive to the varying levels and types of risk inherent in the activities of a particular bank.

- *Process for IBCs to establish branches, agencies, and offices in Florida* – The changes to Chapter 663 will seek to harmonize Florida law with federal law as it pertains to the application process for IBCs to establish a location in Florida. The changes to Chapter 663 will also seek to streamline the application process for an IBC to establish additional locations in Florida.
- *Sharing of information with home country supervisor of an IBC* – The ongoing supervision of an IBC's locations in Florida necessitates the sharing of information with the IBC's home country supervisor. The changes to Chapter 663 will seek to update such information sharing in order to take advantage of technological advances.