

By the Committee on Banking and Insurance; and Senator Gruters

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1                                   A bill to be entitled  
2       An act relating to regulation of securities;  
3       reordering and amending s. 517.021, F.S.; requiring  
4       the Financial Services Commission to define the term  
5       "accredited investor" by rule; revising definitions;  
6       amending s. 517.072, F.S.; authorizing the commission  
7       to adopt certain rules relating to viatical settlement  
8       investments; making technical changes; amending s.  
9       517.081, F.S.; revising requirements for the  
10      registration of securities; revising application fees  
11      for certain securities registrations; requiring the  
12      Office of Financial Regulation to deem an application  
13      abandoned under certain circumstances; conforming  
14      provisions to changes made by the act; amending s.  
15      517.082, F.S.; making technical changes; requiring the  
16      office to deem an application for registration by  
17      notification abandoned under certain circumstances;  
18      amending s. 517.111, F.S.; revising grounds on which  
19      the office may revoke, suspend, or deny the  
20      registration of securities; specifying the office's  
21      powers in investigations of issuers; revising the  
22      methods by which the office may enter an order  
23      suspending an issuer's right to sell securities;  
24      amending s. 517.12, F.S.; revising applicability of  
25      registration requirements; revising requirements for  
26      applying for registration as a dealer, an associated  
27      person of a dealer, or an investment adviser;  
28      conforming a cross-reference and provisions to changes  
29      made by the act; making technical changes; creating s.

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30 517.1214, F.S.; defining terms; specifying continuing  
31 education requirements for associated persons of  
32 investment advisers and federal covered advisers;  
33 providing that certain education credits satisfy such  
34 requirements if certain conditions are met;  
35 prohibiting associated persons from carrying forward  
36 credits to subsequent reporting periods; specifying a  
37 restriction on associated persons who fail to meet  
38 such requirements; specifying requirements for certain  
39 previously registered associated persons; amending s.  
40 517.1217, F.S.; authorizing the commission to  
41 establish rules of conduct and prohibited business  
42 practices for intermediaries; amending s. 517.161,  
43 F.S.; revising grounds on which the office may deny,  
44 revoke, restrict, or suspend registrations of dealers,  
45 investment advisers, intermediaries, and associated  
46 persons; providing causes for denial of applications  
47 or revocation of registrations of certain entities and  
48 persons under certain circumstances; repealing s.  
49 517.181, F.S., relating to escrow agreements; amending  
50 s. 517.201, F.S.; conforming a provision to changes  
51 made by the act; amending s. 921.0022, F.S.; revising  
52 applicability of a criminal penalty for certain  
53 registration violations; amending s. 517.1215, F.S.;  
54 making technical changes; amending ss. 517.061,  
55 517.0611, 517.075, 517.131, 517.211, 517.315,  
56 626.9911, and 744.351, F.S.; conforming cross-  
57 references and making technical changes; amending s.  
58 517.1205, F.S.; revising legislative intent; providing

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59 an effective date.

60  
61 Be It Enacted by the Legislature of the State of Florida:

62  
63 Section 1. Section 517.021, Florida Statutes, is reordered  
64 and amended to read:

65 517.021 Definitions.—When used in this chapter, unless the  
66 context otherwise indicates, the following terms have the  
67 following respective meanings:

68 (1) “Accredited investor” shall be defined by rule of the  
69 commission in accordance with the Securities and Exchange  
70 Commission Rule 501, 17 C.F.R. s. 230.501.

71 (2) “Affiliate” means a person that directly, or indirectly  
72 through one or more intermediaries, controls, is controlled by,  
73 or is under common control with an applicant or registrant.

74 (3) ~~(2)~~ “Associated person” means:

75 (a) 1. With respect to a dealer, a natural person who is  
76 employed, appointed, or authorized by a dealer and who  
77 represents the dealer in effecting or attempting to effect  
78 purchases or sales of securities.

79 2. The term does not include the following:

80 a. A dealer.

81 b. A partner, an officer, or a director of a dealer or a  
82 person having a similar status or performing similar functions  
83 as a dealer, unless such person is specified in subparagraph 1.

84 c. A dealer’s employee whose function is only clerical or  
85 ministerial.

86 d. A person whose transactions in this state are limited to  
87 those transactions described in s. 15(i)(3) of the Securities

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88 Exchange Act of 1934, as amended.

89 (b)1. With respect to an investment adviser, a natural  
90 person, including, but not limited to, a partner, an officer, a  
91 director, or a branch manager, or a person occupying a similar  
92 status or performing similar functions, who:

93 a. Is employed by or associated with, or is subject to the  
94 supervision and control of, an investment adviser registered or  
95 required to be registered under this chapter; and

96 b. Does any of the following:

97 (I) Makes any recommendation or otherwise gives investment  
98 advice regarding securities.

99 (II) Manages accounts or portfolios of clients.

100 (III) Determines which recommendations or advice regarding  
101 securities should be given.

102 (IV) Receives compensation to solicit, offer, or negotiate  
103 for the sale of investment advisory services.

104 (V) Supervises employees who perform a function under this  
105 sub-subparagraph.

106 2. The term does not include the following:

107 a. An investment adviser.

108 b. An employee whose function is only clerical or  
109 ministerial ~~or investment adviser, any of the following:~~

110 ~~1. Any partner, officer, director, or branch manager of a~~  
111 ~~dealer or investment adviser or any person occupying a similar~~  
112 ~~status or performing similar functions;~~

113 ~~2. Any natural person directly or indirectly controlling or~~  
114 ~~controlled by such dealer or investment adviser, other than an~~  
115 ~~employee whose function is only clerical or ministerial; or~~

116 ~~3. Any natural person, other than a dealer, employed,~~

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117 ~~appointed, or authorized by a dealer, investment adviser, or~~  
118 ~~issuer to sell securities in any manner or act as an investment~~  
119 ~~adviser as defined in this section.~~

120  
121 ~~The partners of a partnership and the executive officers of a~~  
122 ~~corporation or other association registered as a dealer, and any~~  
123 ~~person whose transactions in this state are limited to those~~  
124 ~~transactions described in s. 15(h)(2) of the Securities Exchange~~  
125 ~~Act of 1934, are not "associated persons" within the meaning of~~  
126 ~~this definition.~~

127 ~~(c)(b)~~ With respect to a federal covered adviser, a natural  
128 ~~any~~ person who is an investment adviser representative and who  
129 has a place of business in this state, as such terms are defined  
130 in Rule 203A-3 of the Securities and Exchange Commission adopted  
131 under the Investment Advisers Act of 1940, as amended.

132 ~~(4)(3)~~ "Boiler room" means an enterprise in which two or  
133 more persons engage in telephone communications with members of  
134 the public using two or more telephones at one location, or at  
135 more than one location in a common scheme or enterprise.

136 ~~(5)(4)~~ "Branch office" means any location in this state of  
137 a dealer or investment adviser at which one or more associated  
138 persons regularly conduct the business of rendering investment  
139 advice or effecting any transactions in, or inducing or  
140 attempting to induce the purchase or sale of, any security or  
141 any location that is held out as such. The commission may adopt  
142 by rule exceptions to this definition for dealers in order to  
143 maintain consistency with the definition of a branch office used  
144 by self-regulatory organizations authorized by the Securities  
145 and Exchange Commission, including, but not limited to, the

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146 Financial Industry Regulatory Authority. The commission may  
147 adopt by rule exceptions to this definition for investment  
148 advisers.

149 ~~(6)-(7)~~ "Commission" means the Financial Services  
150 Commission.

151 ~~(7)-(5)~~ "Control," including the terms "controlling,"  
152 "controlled by," and "under common control with," means the  
153 possession, directly or indirectly, of the power to direct or  
154 cause the direction of the management or policies of a person,  
155 whether through the ownership of voting securities, by contract,  
156 or otherwise.

157 ~~(8)-(6)-(a)~~ "Dealer" includes, unless otherwise specified, a  
158 person, other than an associated person of a dealer, that  
159 engages, for all or part of the person's time, directly or  
160 indirectly, as agent or principal in the business of offering,  
161 buying, selling, or otherwise dealing or trading in securities  
162 issued by another person any of the following:

163 ~~1. Any person, other than an associated person registered~~  
164 ~~under this chapter, who engages, either for all or part of her~~  
165 ~~or his time, directly or indirectly, as broker or principal in~~  
166 ~~the business of offering, buying, selling, or otherwise dealing~~  
167 ~~or trading in securities issued by another person.~~

168 ~~2. Any issuer who through persons directly compensated or~~  
169 ~~controlled by the issuer engages, either for all or part of her~~  
170 ~~or his time, directly or indirectly, in the business of offering~~  
171 ~~or selling securities which are issued or are proposed to be~~  
172 ~~issued by the issuer.~~

173 ~~(b)~~ The term "dealer" does not include the following:

174 (a) A licensed practicing attorney who renders or performs

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175 any such services in connection with the regular practice of the  
176 attorney's profession.

177 (b) A bank authorized to do business in this state, except  
178 nonbank subsidiaries of a bank.

179 (c) A trust company having trust powers that it is  
180 authorized to exercise in this state, which renders or performs  
181 services in a fiduciary capacity incidental to the exercise of  
182 its trust powers.

183 (d) A wholesaler selling exclusively to dealers.

184 (e) A person buying and selling for the person's own  
185 account exclusively through a registered dealer or stock  
186 exchange.

187 (f) An issuer.

188 (g) A natural person representing an issuer in the  
189 purchase, sale, or distribution of the issuer's own securities  
190 if such person:

191 1. Is an officer, a director, a limited liability company  
192 manager or managing member, or a bona fide employee of the  
193 issuer;

194 2. Has not participated in the distribution or sale of  
195 securities for any issuer for which such person was, within the  
196 preceding 12 months, an officer, a director, a limited liability  
197 company manager or managing member, or a bona fide employee;

198 3. Primarily performs, or is intended to perform at the end  
199 of the distribution, substantial duties for, or on behalf of,  
200 the issuer other than in connection with transactions in  
201 securities; and

202 4. Does not receive a commission, compensation, or other  
203 consideration for the completed sale of the issuer's securities

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204 apart from the compensation received for regular duties to the  
205 issuer.

206 ~~1. Any licensed practicing attorney who renders or performs~~  
207 ~~any of such services in connection with the regular practice of~~  
208 ~~her or his profession;~~

209 ~~2. Any bank authorized to do business in this state, except~~  
210 ~~nonbank subsidiaries of a bank;~~

211 ~~3. Any trust company having trust powers which it is~~  
212 ~~authorized to exercise in this state, which renders or performs~~  
213 ~~services in a fiduciary capacity incidental to the exercise of~~  
214 ~~its trust powers;~~

215 ~~4. Any wholesaler selling exclusively to dealers;~~

216 ~~5. Any person buying and selling for her or his own account~~  
217 ~~exclusively through a registered dealer or stock exchange; or~~

218 ~~6. Pursuant to s. 517.061(11), any person associated with~~  
219 ~~an issuer of securities if such person is a bona fide employee~~  
220 ~~of the issuer who has not participated in the distribution or~~  
221 ~~sale of any securities within the preceding 12 months and who~~  
222 ~~primarily performs, or is intended to perform at the end of the~~  
223 ~~distribution, substantial duties for, or on behalf of, the~~  
224 ~~issuer other than in connection with transactions in securities.~~

225 (9) "Federal covered adviser" means a person that ~~who~~ is  
226 registered or required to be registered under s. 203 of the  
227 Investment Advisers Act of 1940, as amended. The term "~~federal~~  
228 ~~covered adviser~~" does not include any person that ~~who~~ is  
229 excluded from the definition of investment adviser under  
230 subparagraphs (14) (b) 1.-8.

231 (10) "Federal covered security" means a ~~any~~ security that  
232 is a covered security under s. 18(b) of the Securities Act of

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233 1933, as amended, or rules and regulations adopted thereunder.

234 (11) "Guarantor" means a person that ~~who~~ agrees in writing,  
235 or that ~~who~~ holds itself out to the public as agreeing, to pay  
236 the indebtedness of another when due, including, without  
237 limitation, payments of principal and interest on a bond,  
238 debenture, note, or other evidence of indebtedness, without  
239 resort by the holder to any other obligor, whether or not such  
240 writing expressly states that the person signing is signing as a  
241 guarantor. The obligation of a guarantor hereunder shall be a  
242 continuing, absolute, and unconditional guaranty of payment,  
243 without regard to the validity, regularity, or enforceability of  
244 the underlying indebtedness.

245 (12) "Guaranty" means an agreement in ~~a~~ writing in which  
246 one party either agrees, or holds itself out to the public as  
247 agreeing, to pay the indebtedness of another when due,  
248 including, without limitation, payments of principal and  
249 interest on a bond, debenture, note, or other evidence of  
250 indebtedness, without resort by the holder to any other obligor,  
251 whether or not such writing expressly states that the person  
252 signing is signing as a guarantor. An agreement that is not  
253 specifically denominated as a guaranty shall nevertheless  
254 constitute a guaranty if the holder of the underlying  
255 indebtedness or the holder's ~~her or his~~ representative or  
256 trustee has the right to sue to enforce the guarantor's  
257 obligations under the guaranty. Words of guaranty or equivalent  
258 words that ~~which~~ otherwise do not specify guaranty of payment  
259 create a presumption that payment, rather than collection, is  
260 guaranteed by the guarantor. Any guaranty in writing is  
261 enforceable notwithstanding any statute of frauds.

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262 (13) "Intermediary" means a natural person residing in this  
263 ~~the~~ state or a corporation, trust, partnership, limited  
264 liability company, association, or other legal entity registered  
265 with the Secretary of State to do business in this ~~the~~ state,  
266 which facilitates through its website the offer or sale of  
267 securities of an issuer with a principal place of business in  
268 this state ~~under s. 517.0611.~~

269 (14) (a) "Investment adviser" means a ~~includes any person,~~  
270 other than an associated person of an investment adviser or a  
271 federal covered adviser, that ~~who~~ receives compensation,  
272 directly or indirectly, and engages for all or part of the  
273 person's ~~her or his~~ time, directly or indirectly, or through  
274 publications or writings, in the business of advising others as  
275 to the value of securities or as to the advisability of  
276 investments in, purchasing of, or selling of securities, ~~except~~  
277 ~~a dealer whose performance of these services is solely~~  
278 ~~incidental to the conduct of her or his business as a dealer and~~  
279 ~~who receives no special compensation for such services.~~

280 (b) The term ~~"investment adviser"~~ does not include the  
281 following:

282 1. A dealer or an associated person of a dealer whose  
283 performance of services in paragraph (a) is solely incidental to  
284 the conduct of the dealer's or associated person's business as a  
285 dealer and who does not receive special compensation for those  
286 services.

287 2. A ~~Any~~ licensed practicing attorney or certified public  
288 accountant whose performance of such services is solely  
289 incidental to the practice of the attorney's or accountant's ~~her~~  
290 ~~or his~~ profession.†

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291 ~~2. Any licensed certified public accountant whose~~  
292 ~~performance of such services is solely incidental to the~~  
293 ~~practice of her or his profession;~~

294 3. A ~~Any~~ bank authorized to do business in this state.~~†~~

295 4. A ~~Any~~ bank holding company as defined in the Bank  
296 Holding Company Act of 1956, as amended, authorized to do  
297 business in this state.~~†~~

298 5. A ~~Any~~ trust company having trust powers, as defined in  
299 s. 658.12, which it is authorized to exercise in this ~~the~~ state,  
300 which trust company renders or performs investment advisory  
301 services in a fiduciary capacity incidental to the exercise of  
302 its trust powers.~~†~~

303 6. A ~~Any~~ person that ~~who~~ renders investment advice  
304 exclusively to insurance or investment companies.~~†~~

305 7. A ~~Any~~ person that ~~who~~ does not hold itself ~~herself or~~  
306 ~~himself~~ out to the general public as an investment adviser and  
307 has no more than 15 clients within 12 consecutive months in this  
308 state.~~†~~

309 8. A ~~Any~~ person whose transactions in this state are  
310 limited to those transactions described in s. 222(d) of the  
311 Investment Advisers Act of 1940, as amended. Those clients  
312 listed in subparagraph 6. may not be included when determining  
313 the number of clients of an investment adviser for purposes of  
314 s. 222(d) of the Investment Advisers Act of 1940, as amended.~~†~~

315 ~~or~~

316 9. A federal covered adviser.

317 (15) "Issuer" means a ~~any~~ person that ~~who~~ proposes to  
318 issue, has issued, or shall hereafter issue any security. A ~~Any~~  
319 person that ~~who~~ acts as a promoter for and on behalf of a

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320 corporation, trust, ~~or unincorporated association or~~  
321 partnership, limited liability company, association, or other  
322 legal entity of any kind to be formed shall be deemed an issuer.

323 (16) "Offer to sell," "offer for sale," or "offer" means an  
324 ~~any~~ attempt or offer to dispose of, or solicitation of an offer  
325 to buy, a security or interest in a security, or an investment  
326 or interest in an investment, for value.

327 (17)~~(8)~~ "Office" means the Office of Financial Regulation  
328 of the commission.

329 (18)~~(17)~~ "Predecessor" means a person whose ~~the~~ major  
330 portion of ~~whose~~ assets has ~~have~~ been acquired directly or  
331 indirectly by an issuer.

332 (19)~~(18)~~ "Principal" means an executive officer of a  
333 corporation, partner of a partnership, sole proprietor of a sole  
334 proprietorship, trustee of a trust, or any other person with  
335 similar supervisory functions with respect to any organization,  
336 whether incorporated or unincorporated.

337 (20)~~(19)~~ "Promoter" includes the following:

338 (a) A ~~Any~~ person that ~~who~~, acting alone or in conjunction  
339 with one or more other persons, directly or indirectly takes the  
340 initiative in founding and organizing the business or enterprise  
341 of an issuer.

342 (b) A ~~Any~~ person that ~~who~~, in connection with the founding  
343 or organizing of the business or enterprise of an issuer,  
344 directly or indirectly receives in consideration of services or  
345 property, or both services and property, 10 percent or more of  
346 any class of securities of the issuer or 10 percent or more of  
347 the proceeds from the sale of any class of securities. However,  
348 a person that ~~who~~ receives such securities or proceeds either

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349 solely as underwriting commissions or solely in connection with  
350 property shall not be deemed a promoter if such person does not  
351 otherwise take part in founding and organizing the enterprise.

352 (21)~~(20)~~ "Qualified institutional buyer" means a ~~any~~  
353 qualified institutional buyer, as defined in ~~United States~~  
354 Securities and Exchange Commission Rule 144A, 17 C.F.R. s.  
355 230.144A(a), under the Securities Act of 1933, as amended, or  
356 any foreign buyer that satisfies the minimum financial  
357 requirements set forth in such rule.

358 (22)~~(21)~~ "Sale" or "sell" means a ~~any~~ contract of sale or  
359 disposition of an ~~any~~ investment, security, or interest in a  
360 security, for value. With respect to a security or interest in a  
361 security, the term ~~defined in this subsection~~ does not include  
362 preliminary negotiations or agreements between an issuer or any  
363 person on whose behalf an offering is to be made and any  
364 underwriter or among underwriters who are or are to be in  
365 privity of contract with an issuer. Any security given or  
366 delivered with, or as a bonus on account of, any purchase of  
367 securities or any other thing shall be conclusively presumed to  
368 constitute a part of the subject of such purchase and to have  
369 been offered and sold for value. Every sale or offer of a  
370 warrant or right to purchase or subscribe to another security of  
371 the same or another issuer, as well as every sale or offer of a  
372 security which gives the holder a present or future right or  
373 privilege to convert into another security or another issuer, is  
374 considered to include an offer of the other security.

375 (23)~~(22)~~ "Security" includes any of the following:

- 376 (a) A note.  
377 (b) A stock.

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- 378 (c) A treasury stock.
- 379 (d) A bond.
- 380 (e) A debenture.
- 381 (f) An evidence of indebtedness.
- 382 (g) A certificate of deposit.
- 383 (h) A certificate of deposit for a security.
- 384 (i) A certificate of interest or participation.
- 385 (j) A whiskey warehouse receipt or other commodity  
386 warehouse receipt.
- 387 (k) A certificate of interest in a profit-sharing agreement  
388 or the right to participate therein.
- 389 (l) A certificate of interest in an oil, gas, petroleum,  
390 mineral, or mining title or lease or the right to participate  
391 therein.
- 392 (m) A collateral trust certificate.
- 393 (n) A reorganization certificate.
- 394 (o) A preorganization subscription.
- 395 (p) A ~~Any~~ transferable share.
- 396 (q) An investment contract.
- 397 (r) A beneficial interest in title to property, profits, or  
398 earnings.
- 399 (s) An interest in or under a profit-sharing or  
400 participation agreement or scheme.
- 401 (t) An ~~Any~~ option contract that ~~which~~ entitles the holder  
402 to purchase or sell a given amount of the underlying security at  
403 a fixed price within a specified period of time.
- 404 (u) Any other instrument commonly known as a security,  
405 including an interim or temporary bond, debenture, note, or  
406 certificate.

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407           (v) A ~~Any~~ receipt for a security, or for subscription to a  
408 security, or a ~~any~~ right to subscribe to or purchase any  
409 security.

410           (w) A viatical settlement investment.

411           (24) ~~(23)~~ "Underwriter" means a person that ~~who~~ has  
412 purchased from an issuer or an affiliate of an issuer with a  
413 view to, or offers or sells for an issuer or an affiliate of an  
414 issuer in connection with, the distribution of any security, or  
415 participates or has a direct or indirect participation in any  
416 such undertaking, or participates or has a participation in the  
417 direct or indirect underwriting of any such undertaking; except  
418 that a person is ~~shall be~~ presumed not to be an underwriter with  
419 respect to any security which it ~~she or he~~ has owned  
420 beneficially for at least 1 year; and, further, a dealer is  
421 ~~shall not be~~ considered an underwriter with respect to any  
422 securities which do not represent part of an unsold allotment to  
423 or subscription by the dealer as a participant in the  
424 distribution of such securities by the issuer or an affiliate of  
425 the issuer; and, further, in the case of securities acquired on  
426 the conversion of another security without payment of additional  
427 consideration, the length of time such securities have been  
428 beneficially owned by a person includes the period during which  
429 the convertible security was beneficially owned and the period  
430 during which the security acquired on conversion has been  
431 beneficially owned.

432           (25) ~~(24)~~ "Viatical settlement investment" means an  
433 agreement for the purchase, sale, assignment, transfer, devise,  
434 or bequest of all or any portion of a legal or equitable  
435 interest in a viaticated policy as defined in chapter 626.

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436 Section 2. Paragraph (d) of subsection (3) of section  
437 517.072, Florida Statutes, is amended, and subsection (4) is  
438 added to that section, to read:

439 517.072 Viatical settlement investments.—

440 (3) The registration provisions of ss. 517.07 and 517.12 do  
441 not apply to any of the following transactions in viatical  
442 settlement investments; however, such transactions in viatical  
443 settlement investments are subject to the provisions of ss.  
444 517.301, 517.311, and 517.312:

445 (d) The transfer or assignment of a viaticated policy to a  
446 bank, trust company, savings institution, insurance company,  
447 dealer, investment company as defined in the Investment Company  
448 Act of 1940, as amended, pension or profit-sharing trust, ~~or~~  
449 ~~qualified institutional buyer as defined in United States~~  
450 ~~Securities and Exchange Commission Rule 144A, 17 C.F.R. s.~~  
451 ~~230.144A(a)~~, or ~~to~~ an accredited investor ~~as defined by Rule 501~~  
452 ~~of Regulation D of the Securities Act Rules~~, provided such  
453 transfer or assignment is not for the direct or indirect  
454 promotion of any scheme or enterprise with the intent of  
455 violating or evading any provision of this chapter.

456 (4) The commission may establish by rule requirements and  
457 standards for disclosures to purchasers of viatical settlement  
458 investments and recordkeeping requirements for sellers of  
459 viatical settlement investments.

460 Section 3. Paragraphs (a), (g), and (n) of subsection (3)  
461 and subsections (6) and (8) of section 517.081, Florida  
462 Statutes, are amended to read:

463 517.081 Registration procedure.—

464 (3) The office may require the applicant to submit to the

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465 office the following information concerning the issuer and such  
466 other relevant information as the office may in its judgment  
467 deem necessary to enable it to ascertain whether such securities  
468 shall be registered pursuant to the provisions of this section:

469 (a) The names and addresses of:

470 1. All the directors, trustees, and officers, if the issuer  
471 is be a corporation, association, or trust.

472 2. All the managers or managing members, if the issuer is a  
473 limited liability company.

474 3. ~~;~~ of All the partners, if the issuer is be a  
475 partnership.

476 4. ~~;~~ or of The issuer, if the issuer is a sole  
477 proprietorship or natural person be an individual.

478 (g)1. A specimen copy of the securities certificate, if  
479 applicable, security and a copy of any circular, prospectus,  
480 advertisement, or other description of such securities.

481 2. The commission shall adopt a form for a simplified  
482 offering circular ~~to be used solely by corporations~~ to register,  
483 under this section, securities ~~of the corporation~~ that are sold  
484 in offerings in which the aggregate offering price in any  
485 consecutive 12-month period does not exceed the amount provided  
486 in s. 3(b) of the Securities Act of 1933, as amended. The  
487 following issuers shall not be eligible to submit a simplified  
488 offering circular adopted pursuant to this subparagraph:

489 a. An issuer seeking to register securities for resale by  
490 persons other than the issuer.

491 b. An issuer that ~~who~~ is subject to any of the  
492 disqualifications described in 17 C.F.R. s. 230.262, adopted  
493 pursuant to the Securities Act of 1933, as amended, or that ~~who~~

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494 has been or is engaged or is about to engage in an activity that  
495 would be grounds for denial, revocation, or suspension under s.  
496 517.111. For purposes of this subparagraph, an issuer includes  
497 an issuer's director, officer, general partner, manager or  
498 managing member, trustee, or equity owner ~~shareholder~~ who owns  
499 at least 10 percent of the ownership interests ~~shares~~ of the  
500 issuer, promoter, or selling agent of the securities to be  
501 offered or any officer, director, ~~or~~ partner, or manager or  
502 managing member of such selling agent.

503 c. An issuer that ~~who~~ is a development-stage company that  
504 either has no specific business plan or purpose or has indicated  
505 that its business plan is to merge with an unidentified company  
506 or companies.

507 d. An issuer of offerings in which the specific business or  
508 properties cannot be described.

509 e. Any issuer the office determines is ineligible because  
510 ~~if~~ the form does ~~would~~ not provide full and fair disclosure of  
511 material information for the type of offering to be registered  
512 by the issuer.

513 f. Any issuer that ~~corporation which~~ has failed to provide  
514 the office the reports required for a previous offering  
515 registered pursuant to this subparagraph.

516  
517 As a condition precedent to qualifying for use of the simplified  
518 offering circular, an issuer ~~a corporation~~ shall agree to  
519 provide the office with an annual financial report containing a  
520 balance sheet as of the end of the issuer's fiscal year and a  
521 statement of income for such year, prepared in accordance with  
522 United States generally accepted accounting principles and

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523 accompanied by an independent accountant's report. If the issuer  
524 has more than 100 security holders at the end of a fiscal year,  
525 the financial statements must be audited. Annual financial  
526 reports must be filed with the office within 90 days after the  
527 close of the issuer's fiscal year for each of the first 5 years  
528 following the effective date of the registration.

529 (n) If the issuer is a corporation, there shall be filed  
530 with the application a copy of its articles of incorporation  
531 with all amendments and of its existing bylaws, if not already  
532 on file in the office. If the issuer is a limited liability  
533 company, there shall be filed with the application a copy of the  
534 articles of organization with all the amendments and a copy of  
535 the company's operating agreement as may be amended, if not  
536 already on file with the office. If the issuer is a trustee,  
537 there shall be filed with the application a copy of all  
538 instruments by which the trust is created or declared and in  
539 which it is accepted and acknowledged. If the issuer is a  
540 partnership, unincorporated association, joint-stock company, or  
541 any other form of organization whatsoever, there shall be filed  
542 with the application a copy of its articles of partnership or  
543 association and all other papers pertaining to its organization,  
544 if not already on file in the office.

545 (6) An issuer filing an application under this section  
546 shall, at the time of filing, pay the office a nonreturnable fee  
547 of \$1,000 per application for each offering that exceeds the  
548 amount provided in s. 3(b) of the Securities Act of 1933, as  
549 amended, or \$200 per application for each offering that does not  
550 exceed the amount provided in s. 3(b) of the Securities Act of  
551 1933, as amended.

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552           (8) The office shall deem an application to register  
553 securities filed with the office abandoned if the issuer or any  
554 person acting on behalf of the issuer has failed to timely  
555 complete an application specified by commission rule ~~The~~  
556 ~~commission may by rule establish requirements and standards for:~~

557           ~~(a) Disclosures to purchasers of viatical settlement~~  
558 ~~investments.~~

559           ~~(b) Recordkeeping requirements for sellers of viatical~~  
560 ~~settlement investments.~~

561           Section 4. Section 517.082, Florida Statutes, is amended to  
562 read:

563           517.082 ~~Notification~~ Registration by notification; federal  
564 registration statements.-

565           (1) ~~Except as provided in subsection (3),~~ Securities  
566 offered or sold pursuant to a registration statement filed under  
567 the Securities Act of 1933, as amended, are ~~shall be~~ entitled to  
568 registration by notification in the manner provided in  
569 subsection (2), provided that before ~~prior to~~ the offer or sale  
570 the registration statement has become effective.

571           (2) An application for registration by notification shall  
572 be filed with the office, shall contain the following  
573 information, and shall be accompanied by all of the following:

574           (a) An application to sell executed by the issuer, any  
575 person on whose behalf the offering is made, a dealer registered  
576 under this chapter, or any duly authorized agent of any such  
577 person, setting forth the name and address of the applicant, the  
578 name and address of the issuer, and the title of the securities  
579 to be offered and sold.‡

580           (b) Copies of such documents filed with the Securities and

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581 Exchange Commission as the Financial Services Commission may by  
582 rule require.~~+~~

583 (c) An irrevocable written consent to service as required  
584 by s. 517.101.~~+~~ and

585 (d) A nonreturnable fee of \$1,000 per application.

586

587 A registration under this section becomes effective when the  
588 federal registration statement becomes effective or as of the  
589 date the application is filed with the office, whichever is  
590 later, provided that, in addition to the items listed in  
591 paragraphs (a)-(d), the office has received written notification  
592 of effective registration under the Securities Act of 1933, as  
593 amended, or the Investment Company Act of 1940, as amended,  
594 within 10 business days after ~~from~~ the date federal registration  
595 is granted. Failure to provide all the information required by  
596 this subsection to the office within 60 days after ~~of~~ the date  
597 the registration statement becomes effective with the Securities  
598 and Exchange Commission shall be a violation of this chapter.

599 (3) Except for units of limited partnership interests or  
600 such other securities as the commission describes by rule as  
601 exempt from this subsection due to high investment quality, the  
602 provisions of this section may not be used to register  
603 securities if the offering price at the time of effectiveness  
604 with the Securities and Exchange Commission is \$5 or less per  
605 share, unless such securities are listed or designated, or  
606 approved for listing or designation upon notice of issuance, on  
607 a stock exchange registered pursuant to the Securities Exchange  
608 Act of 1934, as amended, or on the National Association of  
609 Securities Dealers Automated Quotation (NASDAQ) System, or

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610 unless such securities are of the same issuer and of senior or  
611 substantially equal rank to securities so listed or designated.

612 (4) In lieu of filing with the office the application,  
613 fees, and documents for registration required by subsection (2),  
614 the commission may establish, by rule, procedures for depositing  
615 fees and filing documents by electronic means, provided such  
616 procedures provide the office with the information and data  
617 required by this section.

618 (5) If the Securities and Exchange Commission has not  
619 declared effective the applicant's federal registration  
620 statement within 180 days after the applicant's filing with the  
621 office of an application for registration by notification, the  
622 office must deem the application abandoned.

623 Section 5. Section 517.111, Florida Statutes, is amended to  
624 read:

625 517.111 Revocation or denial of registration of  
626 securities.—

627 (1) The office may revoke or suspend the registration of  
628 any security, or may deny any application to register  
629 securities, if, upon examination or investigation into the  
630 affairs of the issuer of such security, the office determines ~~it~~  
631 ~~shall appear~~ that:

632 (a) The issuer cannot pay its debts as they become due in  
633 the usual course of business ~~is insolvent~~;

634 (b) The issuer or any officer, director, manager or  
635 managing member, or control person of the issuer has violated  
636 any provision of this chapter or any rule made hereunder or any  
637 order of the office of which such issuer has notice;

638 (c) The issuer or any officer, director, manager or

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639 managing member, or control person of the issuer has been or is  
640 engaged or is about to engage in fraudulent transactions;

641 (d) The issuer or any officer, director, manager or  
642 managing member, or control person of the issuer has been found  
643 guilty of a fraudulent act in connection with any sale of  
644 securities, has engaged, is engaged, or is about to engage, in  
645 making a fictitious sale or purchase of any security, or in any  
646 practice or sale of any security which is fraudulent or a  
647 violation of any law;

648 (e) The issuer or any officer, director, manager or  
649 managing member, or control person of the issuer has had a final  
650 judgment entered against such issuer or person in a civil action  
651 on the grounds of fraud, embezzlement, misrepresentation, or  
652 deceit;

653 (f) The issuer or any officer, director, manager or  
654 managing member, or control person of the issuer has engaged in  
655 any action that would be grounds for revocation, denial, or  
656 suspension under s. 517.161(1) ~~demonstrated any evidence of~~  
657 ~~unworthiness~~;

658 (g) The issuer or any officer, director, manager or  
659 managing member, or control person of the issuer ~~is in any other~~  
660 ~~way dishonest or~~ has made any fraudulent representations or  
661 failed to disclose any material information in any prospectus or  
662 in any circular or other literature that has been distributed  
663 concerning the issuer or its securities;

664 (h) The security registered or sought to be registered is  
665 the subject of an injunction entered by a court of competent  
666 jurisdiction or is the subject of an administrative stop-order  
667 or similar order prohibiting the offer or sale of the security;

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668 or

669 (i) For any security for which registration has been  
670 applied pursuant to s. 517.081, the terms of the offer or sale  
671 of such securities would not be fair, just, or equitable; ~~or~~

672 ~~(j) The issuer or any person acting on behalf of the issuer~~  
673 ~~has failed to timely complete any application for registration~~  
674 ~~filed with the office pursuant to the provisions of s. 517.081~~  
675 ~~or s. 517.082 or any rule adopted under such sections.~~

676 (2) In making such examination or investigation, the office  
677 shall have access to and may compel the production of all the  
678 books and papers of such issuer and may administer oaths to and  
679 examine the officers of such issuer or any other person  
680 connected therewith as to its business and affairs and may also  
681 require a balance sheet exhibiting the assets and liabilities of  
682 any such issuer or its income statement, or both, to be  
683 certified to by a public accountant either of this state or of  
684 any other state where the issuer's business is located. Whenever  
685 the office deems it necessary, it may also require such balance  
686 sheet or income statement, or both, to be made more specific in  
687 such particulars as the office may require.

688 (3)~~(2)~~ If any issuer refuses ~~shall refuse~~ to permit an  
689 examination or investigation to be made by the office, it shall  
690 be proper ground for revocation of registration.

691 (4)~~(3)~~ If the office deems it necessary, it may enter an  
692 order suspending the right to sell securities pending any  
693 examination or investigation, provided that the order shall  
694 state the office's grounds for taking such action.

695 (5)~~(4)~~ Notice of the entry of such order shall be given  
696 personally or by mail, ~~personally, by telephone confirmed in~~

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697 ~~writing, or by telegraph~~ to the issuer. Before such order is  
698 made final, the issuer ~~applying for registration~~ shall, on  
699 application, be entitled to a hearing.

700 ~~(6)-(5)~~ The office may deny any request to terminate any  
701 registration or to withdraw any application for registration if  
702 the office believes that an act which would be grounds for  
703 denial, suspension, or revocation under this chapter has been  
704 committed.

705 Section 6. Subsections (3) through (22) of section 517.12,  
706 Florida Statutes, are renumbered as subsections (2) through  
707 (21), respectively, and subsection (1), present subsections (2)  
708 and (3), paragraph (b) of present subsection (6), present  
709 subsections (7) and (11), paragraph (b) of present subsection  
710 (15), and present subsections (20) and (21) of that section are  
711 amended, to read:

712 517.12 Registration of dealers, associated persons,  
713 intermediaries, and investment advisers.-

714 (1) No dealer or, associated person, ~~or issuer of~~  
715 ~~securities~~ shall sell or offer for sale any securities in or  
716 from offices in this state, ~~or sell securities to persons in~~  
717 this state from offices outside this state, by mail or  
718 otherwise, unless the person is ~~has been~~ registered with the  
719 office as a dealer or as an associated person of a dealer  
720 pursuant to ~~the provisions of~~ this section. The office shall not  
721 register any person as an associated person of a dealer unless  
722 the dealer with which the applicant seeks registration is  
723 lawfully registered with the office pursuant to this chapter.

724 ~~(2) The registration requirements of this section do not~~  
725 ~~apply to the issuers of securities exempted by s. 517.051(1)-(8)~~

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726 and ~~(10)~~.

727 ~~(2)(3) Except as otherwise provided in s. 517.061(11)(a)4.,~~  
728 ~~(13), (16), (17), or (19),~~ The registration requirements of this  
729 section do not apply in a transaction exempted by s. 517.061(1)-  
730 (10) and (12), s. 517.061(1)-(12), (14), and (15).

731 ~~(5)(6)~~ A dealer, associated person, or investment adviser,  
732 in order to obtain registration, must file with the office a  
733 written application, on a form which the commission may by rule  
734 prescribe. The commission may establish, by rule, procedures for  
735 depositing fees and filing documents by electronic means  
736 provided such procedures provide the office with the information  
737 and data required by this section. Each dealer or investment  
738 adviser must also file an irrevocable written consent to service  
739 of civil process similar to that provided for in s. 517.101. The  
740 application shall contain such information as the commission or  
741 office may require concerning such matters as:

742 (b) The applicant's form and place of organization; and, if  
743 the applicant is:

744 1. A corporation, a copy of its articles of incorporation  
745 and amendments to the articles of incorporation;

746 2. A limited liability company, a copy of its articles of  
747 organization with amendments to its articles; or

748 3. ~~if~~ A partnership, a copy of the partnership agreement.

749 ~~(6)(7)~~ The application must also contain such information  
750 as the commission or office may require about the applicant; any  
751 member, principal, or director of the applicant or any person  
752 having a similar status or performing similar functions; any  
753 person directly or indirectly controlling the applicant; or any  
754 employee of a dealer or of an investment adviser rendering

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755 investment advisory services. Each applicant and any direct  
756 owners, principals, or indirect owners that are required to be  
757 reported on Form BD or Form ADV pursuant to subsection (14) ~~(15)~~  
758 shall submit fingerprints for live-scan processing in accordance  
759 with rules adopted by the commission. The fingerprints may be  
760 submitted through a third-party vendor authorized by the  
761 Department of Law Enforcement to provide live-scan  
762 fingerprinting. The costs of fingerprint processing shall be  
763 borne by the person subject to the background check. The  
764 Department of Law Enforcement shall conduct a state criminal  
765 history background check, and a federal criminal history  
766 background check must be conducted through the Federal Bureau of  
767 Investigation. The office shall review the results of the state  
768 and federal criminal history background checks and determine  
769 whether the applicant meets licensure requirements. The  
770 commission may waive, by rule, the requirement that applicants,  
771 including any direct owners, principals, or indirect owners that  
772 are required to be reported on Form BD or Form ADV pursuant to  
773 subsection (14) ~~(15)~~, submit fingerprints or the requirement  
774 that such fingerprints be processed by the Department of Law  
775 Enforcement or the Federal Bureau of Investigation. The  
776 commission or office may require information about any such  
777 applicant or person concerning such matters as:

778 (a) The applicant's or person's ~~His or her~~ full name, and  
779 any other names by which the applicant or person ~~he or she~~ may  
780 have been known, and the applicant's or person's ~~his or her~~ age,  
781 social security number, photograph, qualifications, and  
782 educational and business history.

783 (b) Any injunction or administrative order by a state or

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784 federal agency, national securities exchange, or national  
785 securities association involving a security or any aspect of a  
786 dealer's or investment adviser's regulated the securities  
787 business and any injunction or administrative order by a state  
788 or federal agency regulating banking, insurance, finance, or  
789 small loan companies, real estate, mortgage brokers, or other  
790 related or similar industries, which injunctions or  
791 administrative orders relate to such person.

792 (c) The applicant's or person's ~~His or her~~ conviction of,  
793 or plea of nolo contendere to, a criminal offense or the  
794 applicant's or person's ~~his or her~~ commission of any acts which  
795 would be grounds for refusal of an application under s. 517.161.

796 (d) The names and addresses of other persons of whom the  
797 office may inquire as to the applicant's or person's ~~his or her~~  
798 character, reputation, and financial responsibility.

799 (10) (a) (11) (a) ~~If the office finds that the applicant is of~~  
800 ~~good repute and character and has complied with the applicable~~  
801 registration provisions of this chapter and the rules made  
802 pursuant hereto, it shall register the applicant unless the  
803 applicant is otherwise disqualified for registration pursuant to  
804 law. The registration of each dealer, investment adviser, and  
805 associated person expires on December 31 of the year the  
806 registration became effective unless the registrant has renewed  
807 its ~~his or her~~ registration on or before that date. Registration  
808 may be renewed by furnishing such information as the commission  
809 may require, together with payment of the fee required in  
810 paragraph (9) (a) ~~(10) (a)~~ for dealers, investment advisers, or  
811 associated persons and the payment of any amount lawfully due  
812 and owing to the office pursuant to any order of the office or

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813 pursuant to any agreement with the office. Any dealer,  
814 investment adviser, or associated person who has not renewed a  
815 registration by the time the current registration expires may  
816 request reinstatement of such registration by filing with the  
817 office, on or before January 31 of the year following the year  
818 of expiration, such information as may be required by the  
819 commission, together with payment of the fee required in  
820 paragraph (9) (a) ~~(10) (a)~~ for dealers, investment advisers, or  
821 associated persons and a late fee equal to the amount of such  
822 fee. Any reinstatement of registration granted by the office  
823 during the month of January shall be deemed effective  
824 retroactive to January 1 of that year.

825 (b) The office shall waive the \$50 assessment fee for an  
826 associated person required by paragraph (9) (a) ~~(10) (a)~~ for a  
827 registrant renewing his or her registration who:

828 1. Is an active duty member of the United States Armed  
829 Forces or the spouse of such member;

830 2. Is or was a member of the United States Armed Forces and  
831 served on active duty within the 2 years preceding the  
832 expiration date of the registration pursuant to paragraph (a).  
833 To qualify for the fee waiver, a registrant who is a former  
834 member of the United States Armed Forces who served on active  
835 duty within the 2 years preceding the expiration date of the  
836 registration must have received an honorable discharge upon  
837 separation or discharge from the United States Armed Forces; or

838 3. Is the surviving spouse of a member of the United States  
839 Armed Forces if the member was serving on active duty at the  
840 time of death and died within the 2 years preceding the  
841 surviving spouse's registration expiration date pursuant to

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842 paragraph (a).

843

844 A registrant seeking such fee waiver must submit proof, in a  
845 form prescribed by commission rule, that the registrant meets  
846 one of the qualifications in this paragraph.

847 ~~(14)~~~~(15)~~

848 (b) In lieu of filing with the office the applications  
849 specified in subsection (5) ~~(6)~~, the fees required by subsection  
850 (9) ~~(10)~~, the renewals required by subsection (10) ~~(11)~~, and the  
851 termination notices required by subsection (11) ~~(12)~~, the  
852 commission may by rule establish procedures for the deposit of  
853 such fees and documents with the Central Registration Depository  
854 or the Investment Adviser Registration Depository of the  
855 Financial Industry Regulatory Authority, as developed under  
856 contract with the North American Securities Administrators  
857 Association, Inc.

858 (19)~~(20)~~ An intermediary may not engage in business in this  
859 state unless the intermediary is registered as a dealer or as an  
860 intermediary with the office pursuant to this section to  
861 facilitate the offer or sale of securities in accordance with s.  
862 517.0611. An intermediary, in order to obtain registration, must  
863 file with the office a written application on a form prescribed  
864 by commission rule and pay a registration fee of \$200. The fees  
865 under this subsection shall be deposited into the Regulatory  
866 Trust Fund of the office. The commission may establish by rule  
867 procedures for depositing fees and filing documents by  
868 electronic means if such procedures provide the office with the  
869 information and data required by this section. Each intermediary  
870 must also file an irrevocable written consent to service of

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871 civil process, as provided in s. 517.101.

872 (a) The application must contain such information as the  
873 commission or office may require concerning:

874 1. The name of the applicant and address of its principal  
875 office and each office in this state.

876 2. The applicant's form and place of organization; and, if  
877 the applicant is:

878 a. A corporation, a copy of its articles of incorporation  
879 and amendments to the articles of incorporation;

880 b. A limited liability company, a copy of its articles of  
881 organization and amendments to the articles and a copy of the  
882 company's operating agreement as may be amended; or

883 c. ~~if~~ A partnership, a copy of the partnership agreement.

884 3. The website address where securities of the issuer will  
885 be offered.

886 4. Contact information.

887 (b) The application must also contain such information as  
888 the commission may require by rule about the applicant; any  
889 member, principal, or director of the applicant or any person  
890 having a similar status or performing similar functions; or any  
891 persons directly or indirectly controlling the applicant. Each  
892 applicant and any direct owners, principals, or indirect owners  
893 that are required to be reported on a form adopted by commission  
894 rule shall submit fingerprints for live-scan processing in  
895 accordance with rules adopted by the commission. The  
896 fingerprints may be submitted through a third-party vendor  
897 authorized by the Department of Law Enforcement to provide live-  
898 scan fingerprinting. The costs of fingerprint processing shall  
899 be borne by the person subject to the background check. The

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900 Department of Law Enforcement shall conduct a state criminal  
901 history background check, and a federal criminal history  
902 background check must be conducted through the Federal Bureau of  
903 Investigation. The office shall review the results of the state  
904 and federal criminal history background checks and determine  
905 whether the applicant meets registration requirements. The  
906 commission may waive, by rule, the requirement that applicants,  
907 including any direct owners, principals, or indirect owners,  
908 which are required to be reported on a form adopted by  
909 commission rule, submit fingerprints or the requirement that  
910 such fingerprints be processed by the Department of Law  
911 Enforcement or the Federal Bureau of Investigation. The  
912 commission, by rule, or the office may require information about  
913 any applicant or person, including:

914 1. The applicant's or person's ~~His or her~~ full name and any  
915 other names by which the applicant or person ~~he or she~~ may have  
916 been known and the applicant's or person's ~~his or her~~ age,  
917 social security number, photograph, qualifications, and  
918 educational and business history.

919 2. Any injunction or administrative order by a state or  
920 federal agency, national securities exchange, or national  
921 securities association involving a security or any aspect of an  
922 intermediary's regulated ~~the securities~~ business and any  
923 injunction or administrative order by a state or federal agency  
924 regulating banking, insurance, finance, ~~or small loan companies,~~  
925 real estate, mortgage brokers, or other related or similar  
926 industries, which relate to such person.

927 3. The applicant's or person's ~~His or her~~ conviction of, or  
928 plea of nolo contendere to, a criminal offense or the

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929 applicant's or person's ~~his or her~~ commission of any acts that  
930 would be grounds for refusal of an application under s. 517.161.

931 (c) The application must be amended within 30 days if any  
932 information contained in the form becomes inaccurate for any  
933 reason.

934 (d) An intermediary or persons affiliated with the  
935 intermediary are not subject to any disqualification described  
936 in s. 517.1611 or ~~United States~~ Securities and Exchange  
937 Commission Rule 506(d), 17 C.F.R. 230.506(d), adopted pursuant  
938 to the Securities Act of 1933, as amended. Each director,  
939 officer, manager or managing member, control person of the  
940 issuer, any person occupying a similar status or performing a  
941 similar function, and each person holding more than 20 percent  
942 of the ownership interests ~~shares~~ of the intermediary is subject  
943 to this requirement.

944 (e) If the office finds that the applicant ~~is of good~~  
945 ~~repute and character and~~ has complied with the applicable  
946 registration provisions of this chapter and the rules adopted  
947 thereunder, it shall register the applicant. The registration of  
948 each intermediary expires on December 31 of the year the  
949 registration became effective unless the registrant renews his  
950 or her registration on or before that date. Registration may be  
951 renewed by furnishing such information as the commission may  
952 require by rule, together with payment of a \$200 fee and the  
953 payment of any amount due to the office pursuant to any order of  
954 the office or pursuant to any agreement with the office. An  
955 intermediary who has not renewed a registration by the time that  
956 the current registration expires may request reinstatement of  
957 such registration by filing with the office, on or before

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958 January 31 of the year following the year of expiration, such  
959 information as required by the commission, together with payment  
960 of the \$200 fee and a late fee of \$200. Any reinstatement of  
961 registration granted by the office during the month of January  
962 is deemed effective retroactive to January 1 of that year.

963 ~~(20)-(21)~~ The registration requirements of this section do  
964 not apply to any general lines insurance agent or life insurance  
965 agent licensed under chapter 626, for the sale of a security as  
966 defined in s. 517.021(23)(g) ~~s. 517.021(22)(g)~~, if the  
967 individual is directly authorized by the issuer to offer or sell  
968 the security on behalf of the issuer and the issuer is a  
969 federally chartered savings bank subject to regulation by the  
970 Federal Deposit Insurance Corporation. Actions under this  
971 subsection shall constitute activity under the insurance agent's  
972 license for purposes of ss. 626.611 and 626.621.

973 Section 7. Section 517.1214, Florida Statutes, is created  
974 to read:

975 517.1214 Continuing education requirements for associated  
976 persons of investment advisers and federal covered advisers.—

977 (1) As used in this section, the term:

978 (a) "Approved continuing education content" means the  
979 materials, written, oral, or otherwise, which have been approved  
980 by NASAA or its designee and which make up the educational  
981 program provided to an associated person under this section.

982 (b) "Credit" means a unit designated by NASAA or its  
983 designee as at least 50 minutes of educational instruction.

984 (c) "Home state" means the state in which an associated  
985 person of an investment adviser or a federal covered adviser has  
986 his or her principal office and place of business.

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987 (d) "NASAA" means the North American Securities  
988 Administrators Association, Inc.

989 (e) "Reporting period" means one 12-month period beginning  
990 January 1 and ending December 31. An associated person's initial  
991 reporting period with this state commences the first day of the  
992 first full reporting period after the individual is registered  
993 or required to be registered with this state.

994 (2) By December 31, 2024, and each December 31 thereafter,  
995 each associated person of an investment adviser or a federal  
996 covered adviser shall complete the following continuing  
997 education content requirements offered by a person that NASAA or  
998 its designee has authorized to provide the continuing education  
999 content required by this section:

1000 (a) Six credits of approved continuing education content  
1001 that addresses an associated person's ethical and regulatory  
1002 obligations, with at least 3 hours covering the topic of ethics;  
1003 and

1004 (b) Six credits of approved continuing education content  
1005 that addresses an associated person's skills and knowledge  
1006 regarding financial products, investment features, and practices  
1007 in the investment advisory industry.

1008 (3) An associated person of an investment adviser or  
1009 federal covered adviser who is also registered as an associated  
1010 person of a Financial Industry Regulatory Authority (FINRA)  
1011 member dealer and who complies with FINRA's continuing education  
1012 requirements is considered to be in compliance with this  
1013 section's products and practice requirement for each applicable  
1014 reporting period, provided that the FINRA continuing education  
1015 content is approved continuing education content.

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1016 (4) Credits of continuing education completed by an  
1017 associated person who was awarded and currently holds a  
1018 credential that qualifies for examination waiver by passing any  
1019 tests as prescribed in s. 15(b)(7) of the Securities Exchange  
1020 Act of 1934, as amended, comply with paragraphs (2)(a) and (b),  
1021 provided all of the following conditions are met:

1022 (a) The associated person completes the credits of  
1023 continuing education as a condition of maintaining the  
1024 credential for the relevant reporting period.

1025 (b) The credits of continuing education completed during  
1026 the relevant reporting period by the associated person are  
1027 mandatory to maintain the credential.

1028 (c) The continuing education content provided by the  
1029 credentialing organization during the relevant reporting period  
1030 is approved continuing education content.

1031 (5) Each associated person is responsible for ensuring that  
1032 the authorized provider reports the associated person's  
1033 completion of the applicable continuing education requirements.

1034 (6) An associated person who completes credits of  
1035 continuing education in excess of the credits required for the  
1036 reporting period may not carry forward excess credits to a  
1037 subsequent reporting period.

1038 (7) An associated person who fails to comply with this  
1039 section by the end of a reporting period shall renew as "CE  
1040 inactive" at the close of the calendar year in this state until  
1041 the associated person completes and reports all required  
1042 continuing education credits for all reporting periods as  
1043 required by this section. An associated person who is "CE  
1044 inactive" at the close of the next calendar year is not eligible

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1045 for associated person registration or renewal of associated  
1046 person registration.

1047 (8) An associated person registered or required to be  
1048 registered in this state who is registered as an associated  
1049 person of an investment adviser or federal covered adviser in  
1050 the individual's home state is considered to be in compliance  
1051 with this section if:

1052 (a) The associated person's home state has a continuing  
1053 education requirement of at least 12 hours annually; and

1054 (b) The associated person is in compliance with the home  
1055 state's associated person of an investment adviser or federal  
1056 covered adviser continuing education requirements.

1057 (9) An associated person who was previously registered  
1058 under s. 517.12 and became unregistered must complete continuing  
1059 education for all reporting periods that occurred between the  
1060 time that the associated person became unregistered and when the  
1061 person became registered again under s. 517.12, unless the  
1062 associated person takes and passes the required examinations or  
1063 the examination requirements are waived in connection with the  
1064 subsequent application for registration.

1065 Section 8. Section 517.1217, Florida Statutes, is amended  
1066 to read:

1067 517.1217 Rules of conduct and prohibited business practices  
1068 for dealers and their associated persons and for  
1069 intermediaries.—The commission by rule may establish rules of  
1070 conduct and prohibited business practices for dealers and their  
1071 associated persons and for intermediaries. In adopting the  
1072 rules, the commission shall consider general industry standards  
1073 as expressed in the rules and regulations of the various federal

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1074 and self-regulatory agencies and regulatory associations,  
1075 including, but not limited to, the ~~United States~~ Securities and  
1076 Exchange Commission, the Financial Industry Regulatory  
1077 Authority, and the North American Securities Administrators  
1078 Association, Inc.

1079 Section 9. Subsections (1), (4), and (5) of section  
1080 517.161, Florida Statutes, are amended to read:

1081 517.161 Revocation, denial, or suspension of registration  
1082 of dealer, investment adviser, intermediary, or associated  
1083 person.—

1084 (1) Registration under s. 517.12 may be denied or any  
1085 registration granted may be revoked, restricted, or suspended by  
1086 the office if the office determines that such applicant or  
1087 registrant; any member, principal, or director of the applicant  
1088 or registrant or any person having a similar status or  
1089 performing similar functions; or any person directly or  
1090 indirectly controlling the applicant or registrant:

1091 (a) Has violated any provision of this chapter or any rule  
1092 or order made under this chapter;

1093 (b) Has made a material false statement in the application  
1094 for registration;

1095 (c) Has been guilty of a fraudulent act in connection with  
1096 rendering investment advice or in connection with any sale of  
1097 securities, has been or is engaged or is about to engage in  
1098 making fictitious or pretended sales or purchases of any such  
1099 securities or in any practice involving the rendering of  
1100 investment advice or the sale of securities which is fraudulent  
1101 or in violation of the law;

1102 (d) Has made a misrepresentation or false statement to, or

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1103 concealed any essential or material fact from, any person in the  
1104 rendering of investment advice or the sale of a security to such  
1105 person;

1106 (e) Has failed to account to persons interested for all  
1107 money and property received;

1108 (f) Has not delivered, after a reasonable time, to persons  
1109 entitled thereto securities held or agreed to be delivered by  
1110 the dealer, ~~broker,~~ or investment adviser, as and when paid for,  
1111 and due to be delivered;

1112 (g) Is rendering investment advice or selling or offering  
1113 for sale securities through any associated person not registered  
1114 in compliance with ~~the provisions of~~ this chapter;

1115 (h) ~~Has demonstrated unworthiness to transact the business~~  
1116 ~~of dealer, investment adviser, intermediary, or associated~~  
1117 ~~person;~~

1118 ~~(i)~~ Has exercised management or policy control over or  
1119 owned 10 percent or more of the securities of any dealer,  
1120 intermediary, or investment adviser that has been declared  
1121 bankrupt, or had a trustee appointed under the Securities  
1122 Investor Protection Act; or is, in the case of a dealer,  
1123 intermediary, or investment adviser, unable to pay its debts as  
1124 they become due in the usual course of business ~~insolvent;~~

1125 (i) ~~(j)~~ Has been convicted of, or has entered a plea of  
1126 guilty or nolo contendere to, regardless of whether adjudication  
1127 was withheld, a crime against the laws of this state or any  
1128 other state or of the United States or of any other country or  
1129 government which relates to registration as a dealer, investment  
1130 adviser, issuer of securities, intermediary, or associated  
1131 person; which relates to the application for such registration;

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1132 or which involves moral turpitude or fraudulent or dishonest  
1133 dealing;

1134 (j)~~(k)~~ Has had a final judgment entered against her or him  
1135 in a civil action upon grounds of fraud, embezzlement,  
1136 misrepresentation, or deceit;

1137 ~~(l) Is of bad business repute;~~

1138 (k)~~(m)~~ Has been the subject of any decision, finding,  
1139 injunction, suspension, prohibition, revocation, denial,  
1140 judgment, or administrative order by any court of competent  
1141 jurisdiction, administrative law judge, or by any state or  
1142 federal agency, national securities, commodities, or option  
1143 exchange, or national securities, commodities, or option  
1144 association, involving a violation of any federal or state  
1145 securities or commodities law or any rule or regulation  
1146 promulgated thereunder, or any rule or regulation of any  
1147 national securities, commodities, or options exchange or  
1148 national securities, commodities, or options association, or has  
1149 been the subject of any injunction or adverse administrative  
1150 order by a state or federal agency regulating banking,  
1151 insurance, finance ~~or small loan companies~~, real estate,  
1152 mortgage brokers or lenders, money transmitters, or other  
1153 related or similar industries. For purposes of this subsection,  
1154 the office may not deny registration to any applicant who has  
1155 been continuously registered with the office for 5 years after  
1156 the date of entry of such decision, finding, injunction,  
1157 suspension, prohibition, revocation, denial, judgment, or  
1158 administrative order provided such decision, finding,  
1159 injunction, suspension, prohibition, revocation, denial,  
1160 judgment, or administrative order has been timely reported to

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1161 the office pursuant to the commission's rules; ~~or~~

1162 (l) ~~(n)~~ Made payment to the office for a registration with a  
1163 check or electronic transmission of funds that is dishonored by  
1164 the applicant's or registrant's financial institution;

1165 (m) Failed to pay and fully satisfy any final judgment or  
1166 arbitration award resulting from an investment-related, client-  
1167 or customer-initiated arbitration or court proceeding, unless  
1168 alternative payment arrangements are agreed to in writing  
1169 between the client or customer and the investment adviser,  
1170 dealer, or associated person and the investment adviser, dealer,  
1171 or associated person complies with the terms of the alternative  
1172 payment arrangement;

1173 (n) Attempted to avoid payment of any final judgment or  
1174 arbitration award resulting from an investment-related, client-  
1175 or customer-initiated arbitration or court proceeding, unless  
1176 alternative payment arrangements are agreed to in writing  
1177 between the client or customer and the investment adviser,  
1178 dealer, or associated person and the investment adviser, dealer,  
1179 or associated person complies with the terms of the alternative  
1180 payment arrangements; or

1181 (o) Failed to pay and fully satisfy any fine, civil  
1182 penalty, order of restitution, order of disgorgement, or similar  
1183 monetary payment obligation imposed upon the investment adviser,  
1184 dealer, or associated person by the Securities and Exchange  
1185 Commission, the securities regulator or other financial services  
1186 regulator of any state or province, or any securities industry  
1187 self-regulatory organization.

1188 (4) It shall be sufficient cause for denial of an  
1189 application or revocation of registration, in the case of a

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1190 partnership, corporation, limited liability company, or  
1191 unincorporated association, if any member of the partnership,  
1192 any manager or managing member of the limited liability company,  
1193 or any officer, director, or ultimate equitable owner of the  
1194 corporation or association has committed any act or omission  
1195 which would be cause for denying, revoking, restricting, or  
1196 suspending the registration of an individual dealer, investment  
1197 adviser, intermediary, or associated person. As used in this  
1198 subsection, the term "ultimate equitable owner" means a natural  
1199 person who directly or indirectly owns or controls an ownership  
1200 interest in the corporation, partnership, association, or other  
1201 legal entity however organized, regardless of whether such  
1202 natural person owns or controls such ownership interest through  
1203 one or more proxies, powers of attorney, nominees, corporations,  
1204 associations, partnerships, trusts, joint stock companies, or  
1205 other entities or devices, or any combination thereof.

1206 (5) The office may deny any request to terminate or  
1207 withdraw any application or registration if the office believes  
1208 that an act that ~~which~~ would be a ground for denial, suspension,  
1209 restriction, or revocation under this chapter has been  
1210 committed.

1211 Section 10. Section 517.181, Florida Statutes, is repealed.

1212 Section 11. Paragraph (a) of subsection (4) of section  
1213 517.201, Florida Statutes, is amended to read:

1214 517.201 Investigations; examinations; subpoenas; hearings;  
1215 witnesses.—

1216 (4) (a) In the event of substantial noncompliance with a  
1217 subpoena or subpoena duces tecum issued or caused to be issued  
1218 by the office pursuant to this section, the office may petition

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1219 the circuit court of the county in which the person subpoenaed  
1220 resides or has its principal place of business for an order  
1221 requiring the subpoenaed person to appear and testify and to  
1222 produce such books, records, and documents as are specified in  
1223 such subpoena duces tecum. The court may grant injunctive relief  
1224 restraining the issuance, sale or offer for sale, purchase or  
1225 offer to purchase, promotion, negotiation, advertisement, or  
1226 distribution ~~in or from offices in this state~~ of securities or  
1227 investments in or from this state by the noncompliant a person  
1228 or its agent, employee, broker, partner, officer, director,  
1229 manager, managing member, equity holder, or any person directly  
1230 or indirectly controlling the noncompliant person ~~stockholder~~  
1231 ~~thereof~~, and may grant such other relief, including, but not  
1232 limited to, the restraint, by injunction or appointment of a  
1233 receiver, of any transfer, pledge, assignment, or other  
1234 disposition of such person's assets or any concealment,  
1235 alteration, destruction, or other disposition of subpoenaed  
1236 books, records, or documents, as the court deems appropriate,  
1237 until such person has fully complied with such subpoena or  
1238 subpoena duces tecum and the office has completed its  
1239 investigation or examination. The office is entitled to the  
1240 summary procedure provided in s. 51.011, and the court shall  
1241 advance the cause on its calendar. Costs incurred by the office  
1242 to obtain an order granting, in whole or in part, such petition  
1243 for enforcement of a subpoena or subpoena duces tecum shall be  
1244 taxed against the subpoenaed person, and failure to comply with  
1245 such order shall be a contempt of court.

1246 Section 12. Paragraph (d) of subsection (3) of section  
1247 921.0022, Florida Statutes, is amended to read:

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1248 921.0022 Criminal Punishment Code; offense severity ranking  
 1249 chart.—

1250 (3) OFFENSE SEVERITY RANKING CHART

1251 (d) LEVEL 4

1252

1253

Florida Statute	Felony Degree	Description
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1254

316.1935 (3) (a)	2nd	Driving at high speed or with wanton disregard for safety while fleeing or attempting to elude law enforcement officer who is in a patrol vehicle with siren and lights activated.
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1255

499.0051 (1)	3rd	Failure to maintain or deliver transaction history, transaction information, or transaction statements.
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1256

499.0051 (5)	2nd	Knowing sale or delivery, or possession with intent to sell, contraband prescription drugs.
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1257

517.07 (1)	3rd	Failure to register securities.
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1258

517.12 (1)	3rd	Failure of dealer <u>or</u> associated person <u>of a dealer</u>
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			<del>or issuer</del> of securities to register.
1259	784.07 (2) (b)	3rd	Battery of law enforcement officer, firefighter, etc.
1260	784.074 (1) (c)	3rd	Battery of sexually violent predators facility staff.
1261	784.075	3rd	Battery on detention or commitment facility staff.
1262	784.078	3rd	Battery of facility employee by throwing, tossing, or expelling certain fluids or materials.
1263	784.08 (2) (c)	3rd	Battery on a person 65 years of age or older.
1264	784.081 (3)	3rd	Battery on specified official or employee.
1265	784.082 (3)	3rd	Battery by detained person on visitor or other detainee.
1266	784.083 (3)	3rd	Battery on code inspector.
1267	784.085	3rd	Battery of child by throwing, tossing, projecting, or

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1268

expelling certain fluids or materials.

787.03(1)

3rd

Interference with custody; wrongly takes minor from appointed guardian.

1269

787.04(2)

3rd

Take, entice, or remove child beyond state limits with criminal intent pending custody proceedings.

1270

787.04(3)

3rd

Carrying child beyond state lines with criminal intent to avoid producing child at custody hearing or delivering to designated person.

1271

787.07

3rd

Human smuggling.

1272

790.115(1)

3rd

Exhibiting firearm or weapon within 1,000 feet of a school.

1273

790.115(2)(b)

3rd

Possessing electric weapon or device, destructive device, or other weapon on school property.

1274

790.115(2)(c)

3rd

Possessing firearm on school

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			property.
1275	794.051 (1)	3rd	Indecent, lewd, or lascivious touching of certain minors.
1276	800.04 (7) (c)	3rd	Lewd or lascivious exhibition; offender less than 18 years.
1277	806.135	2nd	Destroying or demolishing a memorial or historic property.
1278	810.02 (4) (a)	3rd	Burglary, or attempted burglary, of an unoccupied structure; unarmed; no assault or battery.
1279	810.02 (4) (b)	3rd	Burglary, or attempted burglary, of an unoccupied conveyance; unarmed; no assault or battery.
1280	810.06	3rd	Burglary; possession of tools.
1281	810.08 (2) (c)	3rd	Trespass on property, armed with firearm or dangerous weapon.
1282	812.014 (2) (c) 3.	3rd	Grand theft, 3rd degree \$10,000 or more but less than \$20,000.

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1283

812.014 3rd Grand theft, 3rd degree;  
(2) (c) 4.-10. specified items.

1284

812.0195 (2) 3rd Dealing in stolen property by  
use of the Internet; property  
stolen \$300 or more.

1285

817.505 (4) (a) 3rd Patient brokering.

1286

817.563 (1) 3rd Sell or deliver substance other  
than controlled substance  
agreed upon, excluding s.  
893.03(5) drugs.

1287

817.568 (2) (a) 3rd Fraudulent use of personal  
identification information.

1288

817.625 (2) (a) 3rd Fraudulent use of scanning  
device, skimming device, or  
reencoder.

1289

817.625 (2) (c) 3rd Possess, sell, or deliver  
skimming device.

1290

828.125 (1) 2nd Kill, maim, or cause great  
bodily harm or permanent  
breeding disability to any  
registered horse or cattle.

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1291

836.14 (2) 3rd Person who commits theft of a sexually explicit image with intent to promote it.

1292

836.14 (3) 3rd Person who willfully possesses a sexually explicit image with certain knowledge, intent, and purpose.

1293

837.02 (1) 3rd Perjury in official proceedings.

1294

837.021 (1) 3rd Make contradictory statements in official proceedings.

1295

838.022 3rd Official misconduct.

1296

839.13 (2) (a) 3rd Falsifying records of an individual in the care and custody of a state agency.

1297

839.13 (2) (c) 3rd Falsifying records of the Department of Children and Families.

1298

843.021 3rd Possession of a concealed handcuff key by a person in custody.

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843.025	3rd	Deprive law enforcement, correctional, or correctional probation officer of means of protection or communication.
843.15(1)(a)	3rd	Failure to appear while on bail for felony (bond estreatment or bond jumping).
847.0135(5)(c)	3rd	Lewd or lascivious exhibition using computer; offender less than 18 years.
870.01(3)	2nd	Aggravated rioting.
870.01(5)	2nd	Aggravated inciting a riot.
874.05(1)(a)	3rd	Encouraging or recruiting another to join a criminal gang.
893.13(2)(a)1.	2nd	Purchase of cocaine (or other s. 893.03(1)(a), (b), or (d), (2)(a), (2)(b), or (2)(c)5. drugs).
914.14(2)	3rd	Witnesses accepting bribes.

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914.22(1)	3rd	Force, threaten, etc., witness, victim, or informant.
914.23(2)	3rd	Retaliation against a witness, victim, or informant, no bodily injury.
916.1085 (2)(c)1.	3rd	Introduction of specified contraband into certain DCF facilities.
918.12	3rd	Tampering with jurors.
934.215	3rd	Use of two-way communications device to facilitate commission of a crime.
944.47(1)(a)6.	3rd	Introduction of contraband (cellular telephone or other portable communication device) into correctional institution.
951.22(1)(h), (j) & (k)	3rd	Intoxicating drug, instrumentality or other device to aid escape, or cellular telephone or other portable communication device introduced into county detention facility.

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Section 13. Section 517.1215, Florida Statutes, is amended to read:

517.1215 Requirements, rules of conduct, and prohibited business practices for investment advisers ~~advisors~~ and their associated persons.—

(1) The commission shall specify by rule requirements for investment advisers ~~advisors~~ deemed to have custody of client funds which concern the following:

(a) Notification of custody of, maintenance of, and safeguards for client funds.

(b) Communications with clients and independent representatives.

(c) Requirements for investment advisers who have custody of pooled investments.

(d) Exceptions to the custody requirements.

In adopting the rules, the commission shall consider the rules and regulations of the federal regulatory authority and the North American Securities Administrators Association, Inc.

(2) The commission shall by rule establish rules of conduct and prohibited business practices for investment advisers and their associated persons. In adopting the rules, the commission shall consider general industry standards as expressed in the rules and regulations of the various federal and self-regulatory agencies and regulatory associations, including, but not limited to, the ~~United States~~ Securities and Exchange Commission, the Financial Industry Regulatory Authority, and the North American Securities Administrators Association, Inc.

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1344 Section 14. Subsections (18) and (22) of section 517.061,  
1345 Florida Statutes, are amended to read:

1346 517.061 Exempt transactions.—Except as otherwise provided  
1347 in s. 517.0611 for a transaction listed in subsection (21), the  
1348 exemption for each transaction listed below is self-executing  
1349 and does not require any filing with the office before claiming  
1350 the exemption. Any person who claims entitlement to any of the  
1351 exemptions bears the burden of proving such entitlement in any  
1352 proceeding brought under this chapter. The registration  
1353 provisions of s. 517.07 do not apply to any of the following  
1354 transactions; however, such transactions are subject to the  
1355 provisions of ss. 517.301, 517.311, and 517.312:

1356 (18) The offer or sale of any security effected by or  
1357 through a person in compliance with s. 517.12(16) ~~s. 517.12(17)~~.

1358 (22) The offer or sale of securities, solely in connection  
1359 with the transfer of ownership of an eligible privately held  
1360 company, through a merger and acquisition broker in accordance  
1361 with s. 517.12(21) ~~s. 517.12(22)~~.

1362 Section 15. Paragraph (b) of subsection (4) and subsection  
1363 (14) of section 517.0611, Florida Statutes, are amended to read:

1364 517.0611 Intrastate crowdfunding.—

1365 (4) An issuer must:

1366 (b) Conduct transactions for the offering through a dealer  
1367 registered with the office or an intermediary registered under  
1368 s. 517.12(19) ~~s. 517.12(20)~~.

1369 (14) An intermediary not registered as a dealer under s.  
1370 517.12(5) ~~s. 517.12(6)~~ may not:

1371 (a) Offer investment advice or recommendations. A refusal  
1372 by an intermediary to post an offering that it deems not

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1373 credible or that represents a potential for fraud may not be  
1374 construed as an offer of investment advice or recommendation.

1375 (b) Solicit purchases, sales, or offers to buy securities  
1376 offered or displayed on its website.

1377 (c) Compensate employees, agents, or other persons for the  
1378 solicitation of, or based on the sale of, securities offered or  
1379 displayed on its website.

1380 (d) Hold, manage, possess, or otherwise handle investor  
1381 funds or securities.

1382 (e) Compensate promoters, finders, or lead generators for  
1383 providing the intermediary with the personal identifying  
1384 information of any potential investor.

1385 (f) Engage in any other activities set forth by commission  
1386 rule.

1387 Section 16. Subsection (1) of section 517.075, Florida  
1388 Statutes, is amended to read:

1389 517.075 Cuba, prospectus disclosure of doing business with,  
1390 required.—

1391 (1) Any issuer of securities that will be sold in this  
1392 state pursuant to a prospectus must disclose in the prospectus  
1393 if the issuer or any affiliate thereof, ~~as defined in s.~~  
1394 ~~517.021(1),~~ does business with the government of Cuba or with  
1395 any person or affiliate located in Cuba. The prospectus  
1396 disclosure required by this subsection does not apply with  
1397 respect to prospectuses prepared before April 10, 1992.

1398 Section 17. Paragraph (a) of subsection (1) of section  
1399 517.131, Florida Statutes, is amended to read:

1400 517.131 Securities Guaranty Fund.—

1401 (1) (a) The Chief Financial Officer shall establish a

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1402 Securities Guaranty Fund. An amount not exceeding 20 percent of  
 1403 all revenues received as assessment fees pursuant to s.  
 1404 517.12(9) and (10) ~~s. 517.12(10) and (11)~~ for dealers and  
 1405 investment advisers or s. 517.1201 for federal covered advisers  
 1406 and an amount not exceeding 10 percent of all revenues received  
 1407 as assessment fees pursuant to s. 517.12(9) and (10) ~~s.~~  
 1408 ~~517.12(10) and (11)~~ for associated persons shall be part of the  
 1409 regular license fee and shall be transferred to or deposited in  
 1410 the Securities Guaranty Fund.

1411 Section 18. Subsection (1) of section 517.211, Florida  
 1412 Statutes, is amended to read:

1413 517.211 Remedies available in cases of unlawful sale.—

1414 (1) Every sale made in violation of either s. 517.07 or s.  
 1415 517.12(1), (3), (4), (8), (10), (12), (15), or (17) ~~(4), (5),~~  
 1416 ~~(9), (11), (13), (16), or (18)~~ may be rescinded at the election  
 1417 of the purchaser, except a sale made in violation of the  
 1418 provisions of s. 517.1202(3) relating to a renewal of a branch  
 1419 office notification shall not be subject to this section, and a  
 1420 sale made in violation of the provisions of s. 517.12(12) ~~s.~~  
 1421 ~~517.12(13)~~ relating to filing a change of address amendment  
 1422 shall not be subject to this section. Each person making the  
 1423 sale and every director, officer, partner, or agent of or for  
 1424 the seller, if the director, officer, partner, or agent has  
 1425 personally participated or aided in making the sale, is jointly  
 1426 and severally liable to the purchaser in an action for  
 1427 rescission, if the purchaser still owns the security, or for  
 1428 damages, if the purchaser has sold the security. No purchaser  
 1429 otherwise entitled will have the benefit of this subsection who  
 1430 has refused or failed, within 30 days of receipt, to accept an

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1431 offer made in writing by the seller, if the purchaser has not  
1432 sold the security, to take back the security in question and to  
1433 refund the full amount paid by the purchaser or, if the  
1434 purchaser has sold the security, to pay the purchaser an amount  
1435 equal to the difference between the amount paid for the security  
1436 and the amount received by the purchaser on the sale of the  
1437 security, together, in either case, with interest on the full  
1438 amount paid for the security by the purchaser at the legal rate,  
1439 pursuant to s. 55.03, for the period from the date of payment by  
1440 the purchaser to the date of repayment, less the amount of any  
1441 income received by the purchaser on the security.

1442 Section 19. Section 517.315, Florida Statutes, is amended  
1443 to read:

1444 517.315 Fees.—All fees of any nature collected by the  
1445 office pursuant to this chapter shall be disbursed as follows:

1446 (1) The office shall transfer the amount of fees required  
1447 to be deposited into the Securities Guaranty Fund pursuant to s.  
1448 517.131.~~7~~

1449 (2) After the transfer required in subsection (1), the  
1450 office shall transfer the \$50 assessment fee collected from each  
1451 associated person under s. 517.12(9) and (10) ~~s. 517.12(10) and~~  
1452 ~~(11)~~ and 30.44 percent of the \$100 assessment fee paid by  
1453 dealers and investment advisers ~~advisors~~ for each office in the  
1454 state under s. 517.12(9) and (10) ~~s. 517.12(10) and (11)~~ to the  
1455 Regulatory Trust Fund.~~7~~ and

1456 (3) All remaining fees shall be deposited into the General  
1457 Revenue Fund.

1458 Section 20. Subsection (5) of section 626.9911, Florida  
1459 Statutes, is amended to read:

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1460 626.9911 Definitions.—As used in this act, the term:

1461 (5) "Life expectancy provider" means a person who  
1462 determines, or holds himself or herself out as determining, life  
1463 expectancies or mortality ratings used to determine life  
1464 expectancies:

1465 (a) On behalf of a viatical settlement provider, viatical  
1466 settlement broker, life agent, or person engaged in the business  
1467 of viatical settlements;

1468 (b) In connection with a viatical settlement investment as  
1469 defined in s. 517.021, ~~pursuant to s. 517.021(24)~~; or

1470 (c) On residents of this state in connection with a  
1471 viatical settlement contract or viatical settlement investment.

1472 Section 21. Subsection (6) of section 744.351, Florida  
1473 Statutes, is amended to read:

1474 744.351 Bond of guardian.—

1475 (6) When it is expedient in the judgment of any court  
1476 having jurisdiction of any guardianship property, because the  
1477 size of the bond required of the guardian is burdensome, or for  
1478 other cause, the court may order, in lieu of a bond or in  
1479 addition to a lesser bond, that the guardian place all or part  
1480 of the property of the ward in a designated financial  
1481 institution under the same conditions and limitations as are  
1482 contained in s. 69.031. A designated financial institution shall  
1483 also include a dealer~~7~~, as defined in s. 517.021 ~~s. 517.021(6)~~,  
1484 if the dealer is a member of the Security Investment Protection  
1485 Corporation and is doing business in the state.

1486 Section 22. Section 517.1205, Florida Statutes, is amended  
1487 to read:

1488 517.1205 Registration of associated persons specific as to

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1489 securities dealer, investment adviser, or federal covered  
1490 adviser identified at time of registration approval.—Inasmuch as  
1491 this chapter is intended to protect investors in securities  
1492 offerings and other investment transactions regulated by that  
1493 chapter, its provisions are to be construed to require full and  
1494 fair disclosure of all, but only, those matters material to the  
1495 investor's evaluation of the offering or other transaction. It  
1496 should, furthermore, be construed to impose the standards  
1497 provided by law on all those seeking to participate in the  
1498 state's securities industry through registration as a securities  
1499 dealer, investment adviser, or associated person. To this end,  
1500 it is declared to be the intent of the Legislature that the  
1501 registration of associated persons required by law is specific  
1502 to the securities dealer, investment adviser, or federal covered  
1503 adviser identified at the time such registration is approved.  
1504 Notwithstanding any interpretation of law to the contrary, the  
1505 historical practice of the Department of Banking and Finance,  
1506 reflected in its rules, that requires a new application for  
1507 registration from a previously registered associated person when  
1508 that person seeks to be associated with a new securities dealer  
1509 or investment adviser is hereby ratified and approved as  
1510 consistent with legislative intent. It is, finally, declared to  
1511 be the intent of the Legislature that while approval of an  
1512 application for registration of a securities dealer, investment  
1513 adviser, or associated person requires a finding of compliance  
1514 with the applicable registration provisions of this chapter and  
1515 applicable rules ~~the applicant's good repute and character~~, such  
1516 finding is precluded by a determination that the applicant may  
1517 be denied registration on grounds provided by law.

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Section 23. This act shall take effect October 1, 2023.