

1 A bill to be entitled
2 An act relating to securities; amending s. 517.021,
3 F.S.; providing and revising definitions; amending s.
4 517.061, F.S.; revising the circumstances under which
5 securities transactions are exempt from registration
6 requirements; amending s. 517.0612, F.S.; revising the
7 filing requirements for securities issuers under the
8 Florida Invest Local Exemption law; amending s.
9 517.0614, F.S.; revising circumstances under which
10 securities offers and sales are not subject to
11 integration with other offerings; amending s.
12 517.0616, F.S.; revising the registration exemptions
13 that are available to specified issuers under certain
14 circumstances; providing applicability of certain
15 disqualification provisions under a specified
16 Securities and Exchange Commission rule; amending s.
17 517.075, F.S.; making a technical change; amending s.
18 517.081, F.S.; revising the requirements for
19 securities registration applications; amending s.
20 517.12, F.S.; revising the list of persons who must
21 submit fingerprints for live-scan processing for
22 registration applications; providing fees for
23 fingerprint processing; providing and revising
24 definitions; revising the written assurances
25 requirements that merger and acquisition brokers must

26 receive from certain control persons under specified
 27 circumstances; revising the circumstances under which
 28 merger and acquisition brokers are not exempt from
 29 specified securities registration; amending s.
 30 517.131, F.S.; providing a definition; revising the
 31 circumstances under which a person is eligible for
 32 payment from the Securities Guaranty Fund; revising
 33 the requirements for applications for payment from the
 34 fund; amending s. 517.301, F.S.; specifying a
 35 prohibition against certain misrepresentations in
 36 issuing and selling securities; amending ss. 517.211
 37 and 517.315, F.S.; conforming cross-references;
 38 providing an effective date.

39
 40 Be It Enacted by the Legislature of the State of Florida:

41
 42 **Section 1. Subsections (6) through (9), (10), (11), (12),**
 43 **(13) through (17), (18), (19), (20) through (25), (26), and (27)**
 44 **of section 517.021, Florida Statutes, are renumbered as**
 45 **subsections (7) through (10), (12), (14), (15), (17) through**
 46 **(21), (25), (26), (28) through (33), (36), and (37),**
 47 **respectively, present subsections (11) and (15) are amended, and**
 48 **new subsections (6), (11), (13), (16), (22), (23), (24), (27),**
 49 **(34), and (35) are added to that section, to read:**

50 517.021 Definitions.—When used in this chapter, unless the

51 context otherwise indicates, the following terms have the
52 following respective meanings:

53 (6) "Branch manager" means a natural person who
54 administers or supervises the affairs or operations of a branch
55 office.

56 (11) "Corporation" means a corporation, domestic
57 corporation, foreign corporation, nonprofit corporation, or
58 foreign nonprofit corporation, as those terms are defined in s.
59 607.01401.

60 (13) "Director" means a person appointed or elected to sit
61 on a board that manages the affairs of a corporation or other
62 organization by electing or exercising control over its
63 officers.

64 (14)~~(11)~~ "Federal covered adviser" means a person that is
65 registered or required to be registered under s. 203 of the
66 Investment Advisers Act of 1940, as amended. The term does not
67 include any person that is excluded from the definition of
68 investment adviser under subparagraphs (20) (b) 1.-7. ~~(16) (b) 1.-7.~~
69 and 9.

70 (16) "General partner" means a co-owner or manager of a
71 partnership who has unlimited liability for the partnership's
72 debts. The term includes a general partner as defined in s.
73 620.1102.

74 (19)~~(15)~~ "Intermediary" means a ~~natural person that~~
75 ~~residing in this state or a corporation, trust, partnership,~~

76 ~~limited liability company, association, or other legal entity~~
77 ~~registered with the Secretary of State to do business in this~~
78 ~~state, which~~ facilitates through its website the offer or sale
79 of securities of an issuer with a principal place of business in
80 this state.

81 (22) "Limited liability company" means a limited liability
82 company or foreign limited liability company, as those terms are
83 defined in s. 605.0102.

84 (23) "Limited liability company manager" or "limited
85 liability managing member" means a person that is responsible
86 alone or in concert with others for performing the management
87 functions of a limited liability company.

88 (24) "Limited partner" means a co-owner of a partnership
89 who has limited liability for the partnership's debts. The term
90 includes a limited partner as defined in s. 620.1102.

91 (27) "Partnership" means two or more persons carrying on
92 as co-owners of a business. The term includes a limited
93 partnership, limited liability limited partnership, foreign
94 limited partnership, or foreign limited liability limited
95 partnership, as those terms are defined in s. 620.1102.

96 (34) "Shareholder" means a person that owns at least one
97 share of a corporation and whose ownership is reflected in the
98 records of the corporation.

99 (35) "Trust" has the same meaning as in s. 731.201.

100 **Section 2. Subsections (7) and (9), paragraph (f) of**

101 **subsection (11), and subsections (18), (19), and (20) of section**
102 **517.061, Florida Statutes, are amended to read:**

103 517.061 Exempt transactions.—Except as otherwise provided
104 in subsection (11), the exemptions provided herein from the
105 registration requirements of s. 517.07 are self-executing and do
106 not require any filing with the office before being claimed. Any
107 person who claims entitlement to an exemption under this section
108 bears the burden of proving such entitlement in any proceeding
109 brought under this chapter. The registration provisions of s.
110 517.07 do not apply to any of the following transactions;
111 however, such transactions are subject to s. 517.301:

112 (7) The offer or sale of securities, solely in connection
113 with the transfer of ownership of an eligible privately held
114 company, through a merger and acquisition broker in accordance
115 with s. 517.12(22) ~~s. 517.12(21)~~.

116 (9) The offer or sale of securities to:

117 (a) A bank, trust company, savings institution, insurance
118 company, dealer, investment company as defined in the Investment
119 Company Act of 1940, 15 U.S.C. s. 80a-3, as amended, pension or
120 profit-sharing trust, or qualified institutional buyer, whether
121 any of such entities is acting in its individual or fiduciary
122 capacity.

123 (b) A savings and loan association, building and loan
124 association, cooperative bank, homestead association, or credit
125 union, which is supervised and examined by a state or federal

126 authority having supervision over any such institution.

127 (c) A federal covered adviser, investment adviser
128 registered pursuant to the laws of a state, exempt reporting
129 adviser or private fund adviser as those terms are defined in s.
130 517.12(23)(a)2. and 3., respectively, investment adviser relying
131 on the exemption from registering with the Securities and
132 Exchange Commission under s. 203(1) or (m) of the Investment
133 Advisers Act of 1940, as amended, business development company
134 as defined in s. 2(a)(48) of the Investment Company Act of 1940,
135 as amended, or business development company as defined in s.
136 202(a)(22) of the Investment Advisers Act of 1940, as amended.

137 (d) A small business investment company licensed by the
138 Small Business Administration under s. 301(c) of the Small
139 Business Investment Act of 1958, as amended, or rural business
140 investment company as defined in s. 384A of the Consolidated
141 Farm and Rural Development Act.

142 (e) A plan established and maintained by a state, a
143 political subdivision thereof, or any agency or instrumentality
144 of a state or a political subdivision, for the benefit of its
145 employees, if such plan has total assets in excess of \$5
146 million, an employee benefit plan within the meaning of the
147 Employee Retirement Income Security Act of 1974 if the
148 investment decision is made by a plan fiduciary, as described in
149 s. 3(21) of such act, which is a bank, savings and loan
150 association, insurance company, or federal covered adviser, or

151 if the employee benefit plan has total assets in excess of \$5
152 million or, if a self-directed plan, with investment decisions
153 made solely by persons that are accredited investors.

154 (f) An organization described in s. 501(c)(3) of the
155 Internal Revenue Code, corporation, Massachusetts trust or
156 similar business trust, partnership, or limited liability
157 company, not formed for the specific purpose of acquiring the
158 securities offered, with total assets in excess of \$5 million.

159 (g) A trust, with total assets in excess of \$5 million,
160 not formed for the specific purpose of acquiring the securities
161 offered, whose purchase is directed by a sophisticated person as
162 described in Securities and Exchange Commission Rule
163 506(b)(2)(ii), 17 C.F.R. s. 230.506(b)(2)(ii), as amended.

164 (h) An entity of a type not listed in paragraphs (a)-(g)
165 or paragraph (j) which owns investments as defined in Securities
166 and Exchange Commission Rule 2a51-1(b), 17 C.F.R s. 270.2a51-
167 1(b), as amended, in excess of \$5 million and is not formed for
168 the specific purpose of acquiring the securities offered.

169 (i) A family office as defined in Securities and Exchange
170 Commission Rule 202(a)(11)(G)-1 under the Investment Advisers
171 Act of 1940, 17 C.F.R. s. 275.202(a)(11)(G)-1, as amended,
172 provided that:

173 1. The family office has assets under management in excess
174 of \$5 million;

175 2. The family office is not formed for the specific

176 purpose of acquiring the securities offered; and

177 3. The prospective investment of the family office is
178 directed by a person who has knowledge and experience in
179 financial and business matters that the family office is capable
180 of evaluating the merits and risks of the prospective
181 investment.

182 (j) An entity in which all of the equity owners are
183 described in paragraphs (a)-(i).

184 (11) Offers or sales of securities by an issuer in a
185 transaction that meets all of the following conditions:

186 (f) The issuer files with the office a notice of
187 transaction on a form prescribed by commission rule, an
188 irrevocable written,~~a consent to service of civil process~~
189 similar to that provided in s. 517.101, and a copy of the
190 general announcement within 15 days after the first sale is made
191 in this state. The commission may adopt by rule procedures for
192 filing documents by electronic means.

193 (18) Any nonissuer transaction by a registered dealer, and
194 any resale transaction by a sponsor of a unit investment trust
195 registered under the Investment Company Act of 1940, as amended,
196 in a security of a class that has been outstanding in the hands
197 of the public for at least 90 days; provided that, at the time
198 of the transaction, the following conditions in paragraphs (a),
199 (b), and (c) and either paragraph (d) or paragraph (e) are met:

200 (a) The issuer of the security is actually engaged in

201 business and is not in the organizational stage or in bankruptcy
 202 or receivership and is not a blank check, blind pool, or shell
 203 company whose primary plan of business is to engage in a merger
 204 or combination of the business with, or an acquisition of, an
 205 unidentified person.

206 (b) The security is sold at a price reasonably related to
 207 the current market price of the security.

208 (c) The security does not constitute the whole or part of
 209 an unsold allotment to, or a subscription or participation by,
 210 the dealer as an underwriter of the security.

211 (d) The security is listed in a nationally recognized
 212 securities manual designated by rule of the commission or a
 213 document filed with and publicly viewable through the Securities
 214 and Exchange Commission electronic data gathering and retrieval
 215 system and contains:

216 1. A description of the business and operations of the
 217 issuer.~~†~~

218 2. The names of the issuer's officers and directors, if
 219 any, or, in the case of an issuer not domiciled in the United
 220 States, the corporate equivalents of such persons in the
 221 issuer's country of domicile.~~†~~

222 3. An audited balance sheet of the issuer as of a date
 223 within 18 months before such transaction or, in the case of a
 224 reorganization or merger in which parties to the reorganization
 225 or merger had such audited balance sheet, a pro forma balance

226 sheet, ~~and~~

227 4. An audited income statement for each of the issuer's
228 immediately preceding 2 fiscal years, or for the period of
229 existence of the issuer, if in existence for less than 2 years
230 or, in the case of a reorganization or merger in which the
231 parties to the reorganization or merger had such audited income
232 statement, a pro forma income statement.

233 (e)1. The issuer of the security has a class of equity
234 securities listed on a national securities exchange registered
235 under the Securities Exchange Act of 1934, as amended;

236 2. The class of security is quoted, offered, purchased, or
237 sold through an alternative trading system registered under
238 Securities and Exchange Commission Regulation ATS, 17 C.F.R. s.
239 242.301, as amended, and the issuer of the security has made
240 current information publicly available in accordance with
241 Securities and Exchange Commission Rule 15c2-11, 17 C.F.R. s.
242 240.15c2-11, as amended;

243 3. The issuer of the security is a unit investment trust
244 registered under the Investment Company Act of 1940, as amended;

245 4. The issuer of the security has been engaged in
246 continuous business, including predecessors, for at least 3
247 years; or

248 5. The issuer of the security has total assets of at least
249 \$2 million based on an audited balance sheet as of a date within
250 18 months before such transaction or, in the case of a

251 reorganization or merger in which parties to the reorganization
252 or merger had such audited balance sheet, a pro forma balance
253 sheet.

254 (19) The offer or sale of any security effected by or
255 through a person in compliance with s. 517.12(17) ~~s. 517.12(16)~~.

256 (20) (a) A nonissuer transaction in an outstanding security
257 by or through a dealer registered or exempt from registration
258 under this chapter, if, at the time of the transaction, all of
259 the following conditions are met ~~true~~:

260 1.(a) The issuer is a reporting issuer in a foreign
261 jurisdiction ~~designated by this subsection or by commission~~
262 ~~rule,~~ and the issuer has been subject to continuous reporting
263 requirements in such foreign jurisdiction for not less than 180
264 days before the transaction.

265 2.(b) The security is listed on a foreign securities
266 exchange or foreign securities market ~~the securities exchange~~
267 ~~designated by this subsection or by commission rule,~~ is a
268 security of the same issuer which is of senior or substantially
269 equal rank to the listed security, or is a warrant or right to
270 purchase or subscribe to any such security.

271 (b) The commission shall consider all of the following in
272 designating a foreign securities exchange or foreign securities
273 market for purposes of this subsection:

274 1. Organization under foreign law.

275 2. Association with a generally recognized community of

- 276 dealers, financial institutions, or other professional
 277 intermediaries with an established operating history.
 278 3. Oversight by a governmental or self-regulatory body.
 279 4. Oversight standards set by general law.
 280 5. Reporting of securities transactions on a regular basis
 281 to a governmental or self-regulatory body.
 282 6. A system for exchange of price quotations through
 283 common communications media.
 284 7. An organized clearance and settlement system.
 285 8. Listing in Securities and Exchange Commission
 286 Regulation S Rule 902, 17 C.F.R. s. 230.902, as amended.

287
 288 ~~For purposes of this subsection, Canada, together with its~~
 289 ~~provinces and territories, is designated as a foreign~~
 290 ~~jurisdiction, and Toronto Stock Exchange, Inc., is designated as~~
 291 ~~a securities exchange. If, after an administrative hearing in~~
 292 ~~compliance with ss. 120.569 and 120.57, the office finds that~~
 293 ~~revocation is necessary or appropriate in furtherance of the~~
 294 ~~public interest and for the protection of investors, it may~~
 295 ~~revoke the designation of a foreign securities exchange or~~
 296 ~~foreign securities market under this subsection.~~

297 **Section 3. Subsection (10) of section 517.0612, Florida**
 298 **Statutes, is amended to read:**

299 517.0612 Florida Invest Local Exemption.—
 300 (10) The issuer must file with the office a notice of

301 transaction on a form prescribed by commission rule, an
302 irrevocable written consent to service of civil process similar
303 to that provided in s. 517.101, and a copy of the disclosure
304 statement described in subsection (8) at least ~~the offering with~~
305 ~~the office, in writing or in electronic form, in a format~~
306 ~~prescribed by commission rule, no less than 5 business days~~
307 before the offering commences, ~~along with the disclosure~~
308 ~~statement described in subsection (8)~~. If there are any material
309 changes to the information previously submitted, the issuer
310 must, within 3 business days after such material change, file an
311 amended notice.

312 **Section 4. Paragraph (b) of subsection (2) of section**
313 **517.0614, Florida Statutes, is amended to read:**

314 517.0614 Integration of offerings.—

315 (2) The integration analysis required by subsection (1) is
316 not required if any of the following nonexclusive safe harbors
317 apply:

318 (b) Offers and sales made in compliance with any of the
319 following provisions are not subject to integration with other
320 offerings:

321 1. Section 517.051 or s. 517.061, except s. 517.061(10) or
322 (11) ~~s. 517.061(9), (10), or (11)~~.

323 2. Section 517.0611 or s. 517.0612.

324 **Section 5. Section 517.0616, Florida Statutes, is amended**
325 **to read:**

326 517.0616 Disqualification.—

327 (1) A registration exemption under s. 517.061(11) ~~s.~~
 328 ~~517.061(9), (10), and (11),~~ s. 517.0611, or s. 517.0612 is not
 329 available to an issuer if, at the time the issuer makes an offer
 330 for the sale of a security, the issuer; a predecessor of the
 331 issuer; an affiliated issuer; a director, executive officer, or
 332 other officer of the issuer participating in the offering; a
 333 general partner or managing member of the issuer; a beneficial
 334 owner of 20 percent or more of the issuer's outstanding voting
 335 equity securities, calculated on the basis of voting power; or a
 336 promoter connected with the issuer in any capacity at the time
 337 of such sale ~~that~~ would be disqualified under Securities and
 338 Exchange Commission Rule 506(d), 17 C.F.R. s. 230.506(d), as
 339 amended, ~~at the time the issuer makes an offer for the sale of a~~
 340 security.

341 (2) The disqualification under Securities and Exchange
 342 Commission Rule 506(d), 17 C.F.R. s. 230.506(d), as amended,
 343 does not apply to any other person or entity listed in such
 344 rule.

345 **Section 6. Subsection (2) of section 517.075, Florida**
 346 **Statutes, is amended to read:**

347 517.075 Cuba, prospectus disclosure of doing business
 348 with, required.—

349 (2) Any disclosure required by subsection (1) must
 350 include:

351 (a) The name of such person, affiliate, or government with
 352 which the issuer does business and the nature of that business. 7

353 (b) A statement that the information is accurate as of the
 354 date the securities were effective with the ~~United States~~
 355 Securities and Exchange Commission or with the office, whichever
 356 date is later. 7 ~~and~~

357 (c) A statement that current information concerning the
 358 issuer's business dealings with the government of Cuba or with
 359 any person or affiliate located in Cuba may be obtained from the
 360 office, which statement must include the address and phone
 361 number of the office.

362 **Section 7. Subsection (5) and paragraph (a) of subsection**
 363 **(9) of section 517.081, Florida Statutes, are amended to read:**

364 517.081 Registration procedure.—

365 (5) ~~All of~~ The following issuers are not eligible to
 366 submit a simplified offering circular:

367 (a) An issuer that is subject to any of the
 368 disqualifications described in Securities and Exchange
 369 Commission Rule 262, 17 C.F.R. s. 230.262, as amended, or that
 370 has been or is engaged or is about to engage in an activity that
 371 would be grounds for denial, revocation, or suspension under s.
 372 517.111. For purposes of this paragraph, an issuer includes an
 373 issuer's director, officer, general partner, manager or managing
 374 member, trustee, or a person owning at least 10 percent of the
 375 ownership interests of the issuer; a promoter or selling agent

376 of the securities to be offered; or any officer, director,
377 partner, or manager or managing member of such selling agent.

378 (b) An issuer that is a development-stage company that
379 either has no specific business plan or purpose or has indicated
380 that its business plan is to merge with an unidentified business
381 entity or entities.

382 (c) An issuer of offerings in which the specific business
383 or properties cannot be described.

384 (d) An issuer that the office determines is ineligible
385 because the simplified circular does not provide full and fair
386 disclosure of material information for the type of offering to
387 be registered by the issuer.

388 (9) (a) The office shall record the registration of a
389 security in the register of securities if, upon examination of
390 an application, it finds that all of the following requirements
391 are met:

392 1. The application is complete.

393 2. The fee imposed in subsection (8) has been paid.

394 3. The sale of the security would not be fraudulent and
395 would not work or tend to work a fraud upon the purchaser.

396 4. The terms of the sale of such securities would be fair,
397 just, and equitable.

398 ~~5. The enterprise or business of the issuer is not based~~
399 ~~upon unsound business principles.~~

400 **Section 8. Subsections (7) through (22) of section 517.12,**

401 **Florida Statutes, are renumbered as subsections (8) through**
402 **(23), respectively, subsection (6), present subsection (10),**
403 **paragraph (b) of present subsection (14), and present**
404 **subsections (19), (20), and (21) are amended, and a new**
405 **subsection (7) is added to that section, to read:**

406 517.12 Registration of dealers, associated persons,
407 intermediaries, and investment advisers.—

408 (6) The application must also contain such information as
409 the commission or office may require about the applicant; any
410 member, principal, or director of the applicant or any person
411 having a similar status or performing similar functions; any
412 person directly or indirectly controlling the applicant; or any
413 employee of a dealer or of an investment adviser rendering
414 investment advisory services. ~~Each applicant and any direct~~
415 ~~owners, principals, or indirect owners that are required to be~~
416 ~~reported on Form BD or Form ADV pursuant to subsection (14)~~
417 ~~shall submit fingerprints for live scan processing in accordance~~
418 ~~with rules adopted by the commission. The fingerprints may be~~
419 ~~submitted through a third party vendor authorized by the~~
420 ~~Department of Law Enforcement to provide live scan~~
421 ~~fingerprinting. The costs of fingerprint processing shall be~~
422 ~~borne by the person subject to the background check. The~~
423 ~~Department of Law Enforcement shall conduct a state criminal~~
424 ~~history background check, and a federal criminal history~~
425 ~~background check must be conducted through the Federal Bureau of~~

426 ~~Investigation. The office shall review the results of the state~~
427 ~~and federal criminal history background checks and determine~~
428 ~~whether the applicant meets licensure requirements. The~~
429 ~~commission may waive, by rule, the requirement that applicants,~~
430 ~~including any direct owners, principals, or indirect owners that~~
431 ~~are required to be reported on Form BD or Form ADV pursuant to~~
432 ~~subsection (14), submit fingerprints or the requirement that~~
433 ~~such fingerprints be processed by the Department of Law~~
434 ~~Enforcement or the Federal Bureau of Investigation. The~~
435 commission or office may require information about any such
436 applicant or person concerning such matters as:

437 (a) The applicant's or person's full name, and any other
438 names by which the applicant or person may have been known, and
439 the applicant's or person's age, social security number,
440 photograph, qualifications, and educational and business
441 history.

442 (b) Any injunction or administrative order by a state or
443 federal agency, national securities exchange, or national
444 securities association involving a security or any aspect of a
445 dealer's or investment adviser's regulated business and any
446 injunction or administrative order by a state or federal agency
447 regulating banking, insurance, finance, or small loan companies,
448 real estate, mortgage brokers, or other related or similar
449 industries, which injunctions or administrative orders relate to
450 such person.

451 (c) The applicant's or person's conviction of, or plea of
452 nolo contendere to, a criminal offense or the applicant's or
453 person's commission of any acts which would be grounds for
454 refusal of an application under s. 517.161.

455 (d) The names and addresses of other persons of whom the
456 office may inquire as to the applicant's or person's character,
457 reputation, and financial responsibility.

458 (7) (a) 1. The following natural persons must submit a full
459 set of fingerprints to the Department of Law Enforcement or to a
460 vendor, entity, or agency authorized under s. 943.053(13) for
461 live-scan processing in accordance with rules adopted by the
462 commission.

463 a. A natural person filing with the office an application
464 for registration as an associated person.

465 b. A natural person who holds the title of president,
466 treasurer, chief executive officer, chief financial officer,
467 chief operations officer, chief legal officer, chief compliance
468 officer, or director for a dealer or investment adviser
469 applicant.

470 c. A natural person who is a 5 percent or more owner of a
471 dealer or investment adviser applicant.

472 d. With respect to each 5 percent or more owner of a
473 dealer or investment adviser applicant that is a corporation,
474 partnership, trust, or limited liability company, each natural
475 person who is a 25 percent or more owner or trustee of such

476 entity, and each natural person who is a 25 percent or more
477 owner or trustee at each level of the chain of ownership up to,
478 but not including, an entity subject to s. 12 or s. 15(d) of the
479 Securities Exchange Act of 1934, as amended.

480 2. For purposes of this subsection, the term "owner"
481 means:

482 a. A shareholder that owns a percentage of a class of
483 voting securities of a dealer or investment adviser applicant,
484 and includes any person that owns, beneficially owns, has the
485 right to vote, or has the power to sell or direct the sale of,
486 the percentage of a class of a voting security of the dealer or
487 investment adviser applicant specified in sub-subparagraph 1.c.
488 or sub-subparagraph 1.d. For purposes of this sub-subparagraph,
489 a person beneficially owns any securities:

490 (I) Owned by the shareholder's child, stepchild,
491 grandchild, parent, stepparent, grandparent, spouse, sibling,
492 mother-in-law, father-in-law, son-in-law, daughter-in-law,
493 brother-in-law, or sister-in-law sharing the same residence; or

494 (II) That the shareholder has the right to acquire, within
495 60 days, through the exercise of any option, warrant, or right
496 to purchase the securities.

497 b. A general partner of a partnership, and a limited
498 partner of a partnership who has the right to receive upon
499 dissolution, or has contributed, a percentage of the capital of
500 a dealer or investment adviser applicant.

501 c. A trustee of a trust that owns a percentage of a class
502 of a voting security of a dealer or investment adviser
503 applicant, or that has the right to receive upon dissolution, or
504 has contributed, a percentage of the capital of a dealer or
505 investment adviser applicant.

506 d. A member of a limited liability company who has the
507 right to receive upon dissolution, or has contributed, a
508 percentage of the capital of a dealer or investment adviser
509 applicant, and all limited liability company managers of a
510 dealer or investment adviser applicant.

511 (b) A vendor, entity, or agency authorized under s.
512 943.053(13) to submit fingerprints electronically to the
513 Department of Law Enforcement shall submit the fingerprints to
514 the department for state processing, and the department shall
515 forward the fingerprints to the Federal Bureau of Investigation
516 for national processing.

517 (c) Fees for state and federal fingerprint processing
518 shall be borne by the person subject to the criminal history
519 record check. The state cost for fingerprint processing shall be
520 as provided in s. 943.053(3)(e).

521 (d) The office shall review the results of the state and
522 federal criminal history record checks and determine whether the
523 applicant is disqualified from registration. The commission may
524 waive by rule the requirement that the persons listed in this
525 subsection submit fingerprints or the requirement that such

526 fingerprints be processed by the Department of Law Enforcement
527 or the Federal Bureau of Investigation.

528 (11) (a) ~~(10) (a)~~ If the office finds that the applicant has
529 complied with the applicable registration provisions of this
530 chapter and the rules made pursuant hereto, it shall register
531 the applicant unless the applicant is otherwise disqualified for
532 registration pursuant to law. The registration of each dealer,
533 investment adviser, and associated person expires on December 31
534 of the year the registration became effective unless the
535 registrant has renewed its registration on or before that date.
536 Registration may be renewed by furnishing such information as
537 the commission may require, together with payment of the fee
538 required in paragraph (10) (a) ~~(9) (a)~~ for dealers, investment
539 advisers, or associated persons and the payment of any amount
540 lawfully due and owing to the office pursuant to any order of
541 the office or pursuant to any agreement with the office. Any
542 dealer, investment adviser, or associated person who has not
543 renewed a registration by the time the current registration
544 expires may request reinstatement of such registration by filing
545 with the office, on or before January 31 of the year following
546 the year of expiration, such information as may be required by
547 the commission, together with payment of the fee required in
548 paragraph (10) (a) ~~(9) (a)~~ for dealers, investment advisers, or
549 associated persons and a late fee equal to the amount of such
550 fee. Any reinstatement of registration granted by the office

551 during the month of January shall be deemed effective
552 retroactive to January 1 of that year.

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

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

558 2. Is or was a member of the United States Armed Forces
559 and served on active duty within the 2 years preceding the
560 expiration date of the registration pursuant to paragraph (a).
561 To qualify for the fee waiver, a registrant who is a former
562 member of the United States Armed Forces who served on active
563 duty within the 2 years preceding the expiration date of the
564 registration must have received an honorable discharge upon
565 separation or discharge from the United States Armed Forces; or

566 3. Is the surviving spouse of a member of the United
567 States Armed Forces if the member was serving on active duty at
568 the time of death and died within the 2 years preceding the
569 surviving spouse's registration expiration date pursuant to
570 paragraph (a).

571
572 A registrant seeking such fee waiver must submit proof, in a
573 form prescribed by commission rule, that the registrant meets
574 one of the qualifications in this paragraph.

575 (15) ~~(14)~~

576 (b) In lieu of filing with the office the applications
577 specified in subsection (5), the fees required by subsection
578 (10) ~~(9)~~, the renewals required by subsection (11) ~~(10)~~, and the
579 termination notices required by subsection (12) ~~(11)~~, the
580 commission may by rule establish procedures for the deposit of
581 such fees and documents with the Central Registration Depository
582 or the Investment Adviser Registration Depository of the
583 Financial Industry Regulatory Authority, as developed under
584 contract with the North American Securities Administrators
585 Association, Inc.

586 (20) ~~(19)~~ An intermediary may not engage in business in
587 this state unless the intermediary is registered as a dealer or
588 as an intermediary with the office pursuant to this section to
589 facilitate the offer or sale of securities in accordance with s.
590 517.0611. An intermediary, in order to obtain registration, must
591 file with the office a written application on a form prescribed
592 by commission rule and pay a registration fee of \$200. The fees
593 under this subsection shall be deposited into the Regulatory
594 Trust Fund of the office. The commission may establish by rule
595 procedures for depositing fees and filing documents by
596 electronic means if such procedures provide the office with the
597 information and data required by this section. Each intermediary
598 must also file an irrevocable written consent to service of
599 civil process, as provided in s. 517.101.

600 (a) The application must contain such information as the

601 commission or office may require concerning:

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

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

606 a. A corporation, a copy of its articles of incorporation
607 and amendments to the articles of incorporation;

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

611 c. A partnership, a copy of the partnership agreement.

612 3. The website address where securities of the issuer will
613 be offered.

614 4. Contact information.

615 (b) The application must also contain such information as
616 the commission may require by rule about the applicant; any
617 member, principal, or director of the applicant or any person
618 having a similar status or performing similar functions; or any
619 persons directly or indirectly controlling the applicant. ~~Each~~
620 ~~applicant and any direct owners, principals, or indirect owners~~
621 ~~that are required to be reported on a form adopted by commission~~
622 ~~rule shall submit fingerprints for live-scan processing in~~
623 ~~accordance with rules adopted by the commission. The~~
624 ~~fingerprints may be submitted through a third-party vendor~~
625 ~~authorized by the Department of Law Enforcement to provide live-~~

626 ~~scan fingerprinting. The costs of fingerprint processing shall~~
627 ~~be borne by the person subject to the background check. The~~
628 ~~Department of Law Enforcement shall conduct a state criminal~~
629 ~~history background check, and a federal criminal history~~
630 ~~background check must be conducted through the Federal Bureau of~~
631 ~~Investigation. The office shall review the results of the state~~
632 ~~and federal criminal history background checks and determine~~
633 ~~whether the applicant meets registration requirements. The~~
634 ~~commission may waive, by rule, the requirement that applicants,~~
635 ~~including any direct owners, principals, or indirect owners,~~
636 ~~which are required to be reported on a form adopted by~~
637 ~~commission rule, submit fingerprints or the requirement that~~
638 ~~such fingerprints be processed by the Department of Law~~
639 ~~Enforcement or the Federal Bureau of Investigation. The~~
640 ~~commission, by rule, or the office may require information about~~
641 ~~any applicant or person, including:~~

642 1. The applicant's or person's full name and any other
643 names by which the applicant or person may have been known and
644 the applicant's or person's age, social security number,
645 photograph, qualifications, and educational and business
646 history.

647 2. Any injunction or administrative order by a state or
648 federal agency, national securities exchange, or national
649 securities association involving a security or any aspect of an
650 intermediary's regulated business and any injunction or

651 administrative order by a state or federal agency regulating
652 banking, insurance, finance, real estate, mortgage brokers, or
653 other related or similar industries, which relate to such
654 person.

655 3. The applicant's or person's conviction of, or plea of
656 nolo contendere to, a criminal offense or the applicant's or
657 person's commission of any acts that would be grounds for
658 refusal of an application under s. 517.161.

659 (c)1. The following natural persons must submit a full set
660 of fingerprints to the Department of Law Enforcement or to a
661 vendor, entity, or agency authorized under s. 943.053(13) for
662 live-scan processing in accordance with rules adopted by the
663 commission:

664 a. A natural person filing with the office an application
665 for registration as an intermediary.

666 b. A natural person who holds the title of president,
667 treasurer, chief executive officer, chief financial officer,
668 chief operations officer, chief legal officer, chief compliance
669 officer, or director for an intermediary applicant.

670 c. A natural person who is a 5 percent or more owner of an
671 intermediary applicant.

672 d. With respect to each 5 percent or more owner of an
673 intermediary applicant that is a corporation, partnership,
674 trust, or limited liability company, each natural person who is
675 a 25 percent or more owner or trustee of such entity, and each

676 natural person who is a 25 percent or more owner or trustee at
677 each level of the chain of ownership up to, but not including,
678 an entity subject to s. 12 or s. 15(d) of the Securities
679 Exchange Act of 1934, as amended.

680 2. For purposes of this subsection, the term "owner"
681 means:

682 a. A shareholder who owns a percentage of a class of
683 voting securities of an intermediary applicant, and includes any
684 person who owns, beneficially owns, has the right to vote, or
685 has the power to sell or direct the sale of, the percentage of a
686 class of a voting security of the intermediary applicant
687 specified in sub-subparagraph 1.c. or sub-subparagraph 1.d. For
688 purposes of this sub-subparagraph, a person beneficially owns
689 any securities:

690 (I) Owned by the shareholder's child, stepchild,
691 grandchild, parent, stepparent, grandparent, spouse, sibling,
692 mother-in-law, father-in-law, son-in-law, daughter-in-law,
693 brother-in-law, or sister-in-law sharing the same residence; or

694 (II) That the shareholder has the right to acquire, within
695 60 days, through the exercise of any option, warrant, or right
696 to purchase the securities.

697 b. A general partner of a partnership, and a limited
698 partner of a partnership who has the right to receive upon
699 dissolution, or has contributed, a percentage of the capital of
700 an intermediary applicant.

701 c. A trustee of a trust that owns a percentage of a class
702 of a voting security of an intermediary applicant, or that has
703 the right to receive upon dissolution, or has contributed, a
704 percentage of the capital of an intermediary applicant.

705 d. A member of a limited liability company who has the
706 right to receive upon dissolution, or has contributed, a
707 percentage of the capital of an intermediary applicant, and all
708 limited liability company managers of an intermediary applicant.

709 (d) The vendor, entity, or agency authorized under s.
710 943.053(13) to submit fingerprints electronically to the
711 Department of Law Enforcement shall submit the fingerprints to
712 the department for state processing, and the department shall
713 forward the fingerprints to the Federal Bureau of Investigation
714 for national processing.

715 (e) Fees for state and federal fingerprint processing
716 shall be borne by the person subject to the criminal history
717 record check. The state cost for fingerprint processing shall be
718 as provided in s. 943.053(3) (e).

719 (f) The office shall review the results of the state and
720 federal criminal history record checks and determine whether the
721 applicant is disqualified from registration. The commission may
722 waive by rule the requirement that applicants, including any
723 natural persons listed in sub-subparagraphs (c)1.a.-d., submit
724 fingerprints or the requirement that such fingerprints be
725 processed by the Department of Law Enforcement or the Federal

726 Bureau of Investigation.

727 (g)~~(e)~~ The application must be amended within 30 days if
 728 any information contained in the form becomes inaccurate for any
 729 reason.

730 (h)~~(d)~~ An intermediary or persons affiliated with the
 731 intermediary are not subject to any disqualification described
 732 in s. 517.1611 or Securities and Exchange Commission Rule
 733 506(d), 17 C.F.R. 230.506(d), adopted pursuant to the Securities
 734 Act of 1933, as amended. Each director, officer, manager or
 735 managing member, control person of the issuer, any person
 736 occupying a similar status or performing a similar function, and
 737 each person holding more than 20 percent of the ownership
 738 interests of the intermediary is subject to this requirement.

739 (i)~~(e)~~ If the office finds that the applicant has complied
 740 with the applicable registration provisions of this chapter and
 741 the rules adopted thereunder, it shall register the applicant.
 742 The registration of each intermediary expires on December 31 of
 743 the year the registration became effective unless the registrant
 744 renews his or her registration on or before that date.
 745 Registration may be renewed by furnishing such information as
 746 the commission may require by rule, together with payment of a
 747 \$200 fee and the payment of any amount due to the office
 748 pursuant to any order of the office or pursuant to any agreement
 749 with the office. An intermediary who has not renewed a
 750 registration by the time that the current registration expires

751 may request reinstatement of such registration by filing with
752 the office, on or before January 31 of the year following the
753 year of expiration, such information as required by the
754 commission, together with payment of the \$200 fee and a late fee
755 of \$200. Any reinstatement of registration granted by the office
756 during the month of January is deemed effective retroactive to
757 January 1 of that year.

758 (21) (20) The registration requirements of this section do
759 not apply to any general lines insurance agent or life insurance
760 agent licensed under chapter 626, with regard to the sale of a
761 security as defined in s. 517.021(33)(g) ~~s. 517.021(25)(g)~~, if
762 the individual is directly authorized by the issuer to offer or
763 sell the security on behalf of the issuer and the issuer is a
764 federally chartered savings bank subject to regulation by the
765 Federal Deposit Insurance Corporation. Actions under this
766 subsection constitute activity under the insurance agent's
767 license for purposes of ss. 626.611 and 626.621.

768 (22) (a) ~~(21) (a)~~ As used in this subsection, the term:

769 1. "Broker" has the same meaning as "dealer" as defined in
770 s. 517.021.

771 2. "Business combination related shell company" means a
772 shell company that is formed by an entity that is not a shell
773 company solely for the purpose of:

774 a. Changing the corporate domicile of the entity solely
775 within the United States; or

776 b. Completing a business combination transaction, as
777 defined in 17 C.F.R. s. 230.165(f), among one or more entities
778 other than the company itself, none of which is a shell company.

779 3.2. "Control person" means a person ~~an individual or~~
780 ~~entity~~ that possesses the power, directly or indirectly, to
781 direct the management or policies of a company through ownership
782 of securities, by contract, or otherwise. A person is presumed
783 to be a control person of a company if, upon completion of a
784 transaction, the buyer or group of buyers ~~with respect to a~~
785 ~~particular company, the person:~~

786 ~~a. Is a director, a general partner, a member, or a~~
787 ~~manager of a limited liability company, or is an officer who~~
788 ~~exercises executive responsibility or has a similar status or~~
789 ~~function;~~

790 ~~a.b.~~ Has the power to vote 25 ~~20~~ percent or more of a
791 class of voting securities or has the power to sell or direct
792 the sale of 25 ~~20~~ percent or more of a class of voting
793 securities; or

794 ~~b.e.~~ In the case of a partnership or limited liability
795 company, may receive upon dissolution, or has contributed, 25 ~~20~~
796 percent or more of the capital.

797 4.3. "Eligible privately held company" means a privately
798 held company that meets all of the following conditions:

799 a. The company does not have any class of securities which
800 is registered, or which is required to be registered, with the

801 ~~United States~~ Securities and Exchange Commission under the
802 Securities Exchange Act of 1934, 15 U.S.C. ss. 78a et seq., as
803 amended, or with the office under s. 517.07, or for which the
804 company files, or is required to file, summary and periodic
805 information, documents, and reports under s. 15(d) of the
806 Securities Exchange Act of 1934, 15 U.S.C. s. 78o(d), as
807 amended.

808 b. In the fiscal year immediately preceding the fiscal
809 year during which the merger and acquisition broker begins to
810 provide services for the securities transaction, the company, in
811 accordance with its historical financial accounting records, has
812 earnings before interest, taxes, depreciation, and amortization
813 of less than \$25 million or has gross revenues of less than \$250
814 million. On July 1, 2021, and every 5 years thereafter, each
815 dollar amount in this sub-subparagraph shall be adjusted by
816 dividing the annual value of the Employment Cost Index for wages
817 and salaries for private industry workers, or any successor
818 index, as published by the Bureau of Labor Statistics, for the
819 calendar year preceding the calendar year in which the
820 adjustment is being made, by the annual value of such index or
821 successor index for the calendar year ending December 31, 2020
822 ~~2012~~, and multiplying such dollar amount by the quotient
823 obtained. Each dollar amount determined under this sub-
824 subparagraph shall be rounded to the nearest multiple of
825 \$100,000. The commission may by rule modify the dollar figures

826 if the commission determines that such a modification is
827 necessary or appropriate in the public interest or for the
828 protection of investors.

829 5.4. "Merger and acquisition broker" means a ~~any~~ broker
830 and any person associated with a broker engaged in the business
831 of effecting securities transactions solely in connection with
832 the transfer of ownership of an eligible privately held company,
833 regardless of whether the ~~that~~ broker acts on behalf of a seller
834 or buyer, through the purchase, sale, exchange, issuance,
835 repurchase, or redemption of, or a business combination
836 involving, securities or assets of the eligible privately held
837 company.

838 6.5. "Public Shell company" means a company that at the
839 time of a transaction with an eligible privately held company:
840 ~~a. Has any class of securities which is registered, or~~
841 ~~which is required to be registered, with the United States~~
842 ~~Securities and Exchange Commission under the Securities Exchange~~
843 ~~Act of 1934, 15 U.S.C. ss. 78a et seq., or with the office under~~
844 ~~s. 517.07, or for which the company files, or is required to~~
845 ~~file, summary and periodic information, documents, and reports~~
846 ~~under s. 15(d) of the Securities Exchange Act of 1934, 15 U.S.C.~~
847 ~~s. 78o(d);~~

848 ~~a.b.~~ Has nominal or no operations. ~~;~~ and

849 ~~b.e.~~ Has nominal assets or no assets, assets consisting
850 solely of cash and cash equivalents, or assets consisting of any

851 amount of cash and cash equivalents and nominal other assets.

852 (b) Prior to the completion of any securities transaction
853 described in s. 517.061(7), a merger and acquisition broker must
854 receive written assurances from the control person with the
855 largest percentage of ownership for both the buyer and seller
856 engaged in the transaction that:

857 1. After the transaction is completed, any person who
858 acquires securities or assets of the eligible privately held
859 company, acting alone or in concert, will be a control person of
860 the eligible privately held company or will be a control person
861 for the business conducted with the assets of the eligible
862 privately held company.~~;~~ and

863 2. After the transaction is completed, any person who
864 acquires securities or assets of the eligible privately held
865 company, acting alone or in concert, will be active in the
866 management of the eligible privately held company or the
867 business conducted with the assets of the eligible privately
868 held company, and active in the management of the assets of the
869 eligible privately held company, by engaging in acts and
870 activities that include, but are not limited to, the following:

871 a. Electing executive officers.

872 b. Approving the annual budget.

873 c. Serving as an executive or other executive manager.

874 d. Carrying out such other activities as the commission
875 may by rule determine to be in the public interest.

876 ~~3.2.~~ If any person is offered securities in exchange for
877 securities or assets of the eligible privately held company,
878 such person will, before becoming legally bound to complete the
879 transaction, receive or be given reasonable access to the most
880 recent year-end financial statements of the issuer of the
881 securities offered in exchange. The most recent year-end
882 financial statements shall be customarily prepared by the
883 issuer's management in the normal course of operations. If the
884 financial statements of the issuer are audited, reviewed, or
885 compiled, the most recent year-end financial statements must
886 include any related statement by the independent certified
887 public accountant; a balance sheet dated not more than 120 days
888 before the date of the exchange offer; and information
889 pertaining to the management, business, results of operations
890 for the period covered by the foregoing financial statements,
891 and material loss contingencies of the issuer.

892 (c) A merger and acquisition broker engaged in a
893 transaction exempt under s. 517.061(7) is exempt from
894 registration under this section unless the merger and
895 acquisition broker:

896 1. Directly or indirectly, in connection with the transfer
897 of ownership of an eligible privately held company, receives,
898 holds, transmits, or has custody of the funds or securities to
899 be exchanged by the parties to the transaction;

900 2. Engages on behalf of an issuer in a public offering of

901 any class of securities which is registered, or which is
902 required to be registered, with the ~~United States~~ Securities and
903 Exchange Commission under the Securities Exchange Act of 1934,
904 15 U.S.C. ss. 78a et seq., as amended, or with the office under
905 s. 517.07; or for which the issuer files, or is required to
906 file, periodic information, documents, and reports under s.
907 15(d) of the Securities Exchange Act of 1934, 15 U.S.C. s.
908 78o(d), as amended;

909 3. Engages on behalf of any party in a transaction
910 involving a ~~public~~ shell company, other than a business
911 combination related shell company;

912 4. Directly, or indirectly through any of its affiliates,
913 provides financing related to the transfer of ownership of an
914 eligible privately held company;

915 5. Assists any party to obtain financing from an
916 unaffiliated third party without:

917 a. Complying with all other applicable laws in connection
918 with such assistance, including, if applicable, Regulation T
919 under 12 C.F.R. ss. 220 et seq., as amended; and

920 b. Disclosing any compensation in writing to the party;

921 6. Represents both the buyer and the seller in the same
922 transaction without providing clear written disclosure as to the
923 parties the broker represents and obtaining written consent from
924 both parties to the joint representation;

925 7. Facilitates a transaction with a group of buyers formed

926 with the assistance of the Merger and Acquisition Broker to
927 acquire the eligible privately held company;

928 8. Engages in a transaction involving the transfer of
929 ownership of an eligible privately held company to a passive
930 buyer or group of passive buyers;

931 9. Binds a party to a transfer of ownership of an eligible
932 privately held company; or

933 10. Is subject to, or an officer, director, member,
934 manager, partner, or employee of the broker is subject to, the
935 following disciplinary actions:

936 a. Has been barred from association with a broker or
937 dealer by the Securities and Exchange Commission, any state, or
938 any self-regulatory organization; or

939 b. Is suspended from association with a broker or dealer.

940 ~~4. Is subject to a suspension or revocation of~~
941 ~~registration under s. 15(b)(4) of the Securities Exchange Act of~~
942 ~~1934, 15 U.S.C. s. 78o(b)(4);~~

943 ~~5. Is subject to a statutory disqualification described in~~
944 ~~s. 3(a)(39) of the Securities Exchange Act of 1934, 15 U.S.C. s.~~
945 ~~78e(a)(39);~~

946 ~~6. Is subject to a disqualification under the United~~
947 ~~States Securities and Exchange Commission Rule 506(d), 17 C.F.R.~~
948 ~~s. 230.506(d); or~~

949 ~~7. Is subject to a final order described in s. 15(b)(4)(H)~~
950 ~~of the Securities Exchange Act of 1934, 15 U.S.C. s.~~

951 ~~780(b)(4)(H).~~

952 **Section 9. Subsection (1), paragraph (a) of subsection**
953 **(2), and subsections (3) and (5) of section 517.131, Florida**
954 **Statutes, are amended to read:**

955 517.131 Securities Guaranty Fund.—

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

957 (a) "Final judgment" includes an arbitration award
958 confirmed by a court of competent jurisdiction.

959 (b) "Restitution order" means a court order awarding a
960 specified monetary amount to a named aggrieved person for a
961 violation of s. 517.07 or s. 517.301 to be paid by a named
962 violator.

963 (2) (a) The Chief Financial Officer shall establish a
964 Securities Guaranty Fund to provide monetary relief to victims
965 of securities violations under this chapter who are entitled to
966 monetary damages or restitution and cannot recover the full
967 amount of such monetary damages or restitution from the
968 wrongdoer. An amount not exceeding 20 percent of all revenues
969 received as assessment fees pursuant to s. 517.12(10) and (11)
970 ~~s. 517.12(9) and (10)~~ for dealers and investment advisers or s.
971 517.1201 for federal covered advisers and an amount not
972 exceeding 10 percent of all revenues received as assessment fees
973 pursuant to s. 517.12(10) and (11) ~~s. 517.12(9) and (10)~~ for
974 associated persons must be part of the regular registration
975 license fee and must be transferred to or deposited in the

976 Securities Guaranty Fund.

977 (3) A person is eligible for payment from the Securities
978 Guaranty Fund if the person:

979 (a)1. Is a judgment creditor in ~~Holds~~ an unsatisfied final
980 judgment or a named beneficiary or victim in an unsatisfied
981 restitution order entered on or after October 1, 2024, in which
982 a wrongdoer was found to have violated s. 517.07 or s. 517.301;

983 2. Has applied any amount recovered from the judgment
984 debtor, a person ordered to pay restitution, or any other source
985 to the damages awarded in a final judgment or restitution order
986 ~~by the court or arbitrator;~~ and

987 3. Is a natural person who was a resident of this state,
988 or is a business entity that was domiciled in this state, at the
989 time of the violation of s. 517.07 or s. 517.301; or

990 (b) Is a receiver appointed pursuant to s. 517.191(2) by a
991 court of competent jurisdiction for a wrongdoer ordered to pay
992 restitution under s. 517.191(3) as a result of a violation of s.
993 517.07 or s. 517.301 which has requested payment from the
994 Securities Guaranty Fund on behalf of a person eligible for
995 payment under paragraph (a).

996
997 If a person holds an unsatisfied final judgment or restitution
998 order entered before October 1, 2024, in which a wrongdoer was
999 found to have violated s. 517.07 or s. 517.301, such person's
1000 claim for payment from the Securities Guaranty Fund shall be

1001 governed by the terms of this section and s. 517.141 which were
 1002 effective on the date of such final judgment or restitution
 1003 order.

1004 (5) An eligible person, or a receiver on behalf of the
 1005 eligible person, seeking payment from the Securities Guaranty
 1006 Fund must file with the office a written application on a form
 1007 that the commission may prescribe by rule. The commission may
 1008 adopt by rule procedures for filing documents by electronic
 1009 means, provided that such procedures provide the office with the
 1010 information and data required by this section. The application
 1011 must be filed with the office within 1 year after the date of
 1012 the final judgment, the date on which a restitution order has
 1013 been ripe for execution, or the date of any appellate decision
 1014 thereon, and, at minimum, must contain all of the following
 1015 information:

1016 (a) The eligible person's and, if applicable, the
 1017 receiver's full names, addresses, and contact information.

1018 (b) The name of the judgment debtor or person ordered to
 1019 pay restitution.

1020 (c) If the eligible person is a business entity, the
 1021 eligible person's type and place of organization and, as
 1022 applicable, a copy, as amended, of its articles of
 1023 incorporation, articles of organization, trust agreement, or
 1024 partnership agreement.

1025 (d) A copy of any final judgment or ~~and a copy thereof.~~

1026 ~~(e)~~ Any restitution order pursuant to ~~s. 517.191(3)~~, and a
1027 copy thereof.

1028 (e)~~(f)~~ An affidavit from the eligible person stating
1029 either one of the following:

1030 1. That the eligible person has made all reasonable
1031 searches and inquiries to ascertain whether the judgment debtor
1032 or person ordered to pay restitution possesses real or personal
1033 property or other assets subject to being sold or applied in
1034 satisfaction of the final judgment or restitution order and, by
1035 the eligible person's search, that the eligible person has not
1036 discovered any property or assets.

1037 2. That the eligible person has taken necessary action on
1038 the property and assets of the wrongdoers but the final judgment
1039 or restitution order remains unsatisfied.

1040 (f)~~(g)~~ If the application is filed by the receiver, an
1041 affidavit from the receiver stating the amount of restitution
1042 owed to the eligible person on whose behalf the claim is filed;
1043 the amount of any money, property, or assets paid to the
1044 eligible person on whose behalf the claim is filed by the person
1045 over whom the receiver is appointed; and the amount of any
1046 unsatisfied portion of any eligible person's restitution order
1047 ~~of restitution~~.

1048 (g)~~(h)~~ The eligible person's residence or domicile at the
1049 time of the violation of s. 517.07 or s. 517.301 which resulted
1050 in the eligible person's monetary damages.

1051 (h)~~(i)~~ The amount of any unsatisfied portion of the
 1052 eligible person's final judgment or restitution order.

1053 (i)~~(j)~~ Whether an appeal ~~or motion to vacate an~~
 1054 ~~arbitration award~~ has been filed.

1055 **Section 10. Subsection (3) of section 517.301, Florida**
 1056 **Statutes, is amended to read:**

1057 517.301 Fraudulent transactions; falsification or
 1058 concealment of facts.—

1059 (3) It is unlawful for a person in issuing or selling a
 1060 security within this state, including a security exempted under
 1061 s. 517.051 and including a transaction exempted under s.
 1062 517.061, s. 517.0611, or s. 517.0612, to misrepresent that such
 1063 security or person business entity has been guaranteed,
 1064 sponsored, recommended, or approved by the state or an agency or
 1065 officer of the state or by the United States or an agency or
 1066 officer of the United States.

1067 **Section 11. Subsection (1) of section 517.211, Florida**
 1068 **Statutes, is amended to read:**

1069 517.211 Private remedies available in cases of unlawful
 1070 sale.—

1071 (1) Every sale made in violation of either s. 517.07 or s.
 1072 517.12(1), (3), (4), (9), (11), (13), (16), or (18) ~~s.~~
 1073 ~~517.12(1), (3), (4), (8), (10), (12), (15), or (17)~~ may be
 1074 rescinded at the election of the purchaser; however, a sale made
 1075 in violation of the provisions of s. 517.1202(3) relating to a

1076 renewal of a branch office notification or in violation of the
 1077 provisions of s. 517.12(13) ~~s. 517.12(12)~~ relating to filing a
 1078 change of address amendment is not subject to this section. Each
 1079 person making the sale and every director, officer, partner, or
 1080 agent of or for the seller, if the director, officer, partner,
 1081 or agent has personally participated or aided in making the
 1082 sale, is jointly and severally liable to the purchaser in an
 1083 action for rescission, if the purchaser still owns the security,
 1084 or for damages, if the purchaser has sold the security. No
 1085 purchaser otherwise entitled will have the benefit of this
 1086 subsection who has refused or failed, within 30 days after
 1087 receipt, to accept an offer made in writing by the seller, if
 1088 the purchaser has not sold the security, to take back the
 1089 security in question and to refund the full amount paid by the
 1090 purchaser or, if the purchaser has sold the security, to pay the
 1091 purchaser an amount equal to the difference between the amount
 1092 paid for the security and the amount received by the purchaser
 1093 on the sale of the security, together, in either case, with
 1094 interest on the full amount paid for the security by the
 1095 purchaser at the legal rate, pursuant to s. 55.03, for the
 1096 period from the date of payment by the purchaser to the date of
 1097 repayment, less the amount of any income received by the
 1098 purchaser on the security.

1099 **Section 12. Subsection (2) of section 517.315, Florida**
 1100 **Statutes, is amended to read:**

1101 517.315 Fees.—All fees of any nature collected by the
1102 office pursuant to this chapter shall be disbursed as follows:

1103 (2) After the transfer required in subsection (1), the
1104 office shall transfer the \$50 assessment fee collected from each
1105 associated person under s. 517.12(10) and (11) ~~s. 517.12(9) and~~
1106 ~~(10)~~ and 30.44 percent of the \$100 assessment fee paid by
1107 dealers and investment advisers for each office in the state
1108 under s. 517.12(10) and (11) ~~s. 517.12(9) and (10)~~ to the
1109 Regulatory Trust Fund.

1110 **Section 13.** This act shall take effect upon becoming a
1111 law.