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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/17/2025	.	
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	.	

The Committee on Fiscal Policy (Truenow) recommended the following:

Senate Amendment (with directory and title amendments)

Delete lines 102 - 716

and insert:

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

Section 2. Subsections (7) and (9), paragraph (f) of subsection (11), and subsections (18), (19), and (20) of section 517.061, Florida Statutes, are amended to read:

517.061 Exempt transactions.—Except as otherwise provided in subsection (11), the exemptions provided herein from the



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11 registration requirements of s. 517.07 are self-executing and do
12 not require any filing with the office before being claimed. Any
13 person who claims entitlement to an exemption under this section
14 bears the burden of proving such entitlement in any proceeding
15 brought under this chapter. The registration provisions of s.
16 517.07 do not apply to any of the following transactions;
17 however, such transactions are subject to s. 517.301:

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

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

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

29 (b) A savings and loan association, building and loan
30 association, cooperative bank, or credit union, which is
31 supervised and examined by a state or federal authority having
32 supervision over any such institution.

33 (c) A federal covered adviser, investment adviser
34 registered pursuant to the laws of a state, exempt reporting
35 adviser or private fund adviser as those terms are defined in s.
36 517.12(23)(a)2. and 3., respectively, investment adviser relying
37 on the exemption from registering with the Securities and
38 Exchange Commission under s. 203(l) or (m) of the Investment
39 Advisers Act of 1940, as amended, business development company



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as defined in s. 2(a)(48) of the Investment Company Act of 1940,
as amended, or business development company as defined in s.
202(a)(22) of the Investment Advisers Act of 1940, as amended.

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

(e) A plan established and maintained by a state, a
political subdivision thereof, or any agency or instrumentality
of a state or a political subdivision, for the benefit of its
employees, if such plan has total assets in excess of \$5
million, an employee benefit plan within the meaning of the
Employee Retirement Income Security Act of 1974 if the
investment decision is made by a plan fiduciary, as described in
s. 3(21) of such act, which is a bank, savings and loan
association, insurance company, or federal covered adviser, or
if the employee benefit plan has total assets in excess of \$5
million or, if a self-directed plan, with investment decisions
made solely by persons that are accredited investors.

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

(g) A trust, with total assets in excess of \$5 million, not
formed for the specific purpose of acquiring the securities
offered, whose purchase is directed by a sophisticated person as
described in Securities and Exchange Commission Rule



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506(b)(2)(ii), 17 C.F.R. s. 230.506(b)(2)(ii), as amended.

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

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

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

2. The family office is not formed for the specific purpose of acquiring the securities offered; and

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

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

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

(f) The issuer files with the office a notice of transaction on a form prescribed by commission rule, an irrevocable written, a consent to service of civil process in accordance with s. 517.101, and a copy of the general announcement within 15 days after the first sale is made in this state. The commission may adopt by rule procedures for filing



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documents by electronic means.

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

(a) The issuer of the security is actually engaged in business and is not in the organizational stage or in bankruptcy or receivership and is not a blank check, blind pool, or shell company whose primary plan of business is to engage in a merger or combination of the business with, or an acquisition of, an unidentified person.

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

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

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

1. A description of the business and operations of the issuer.

2. The names of the issuer's officers and directors, if any, or, in the case of an issuer not domiciled in the United States, the corporate equivalents of such persons in the



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issuer's country of domicile.~~†~~

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

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

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

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

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

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

5. The issuer of the security has total assets of at least \$2 million based on an audited balance sheet as of a date within



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18 months before such transaction or, in the case of a reorganization or merger in which parties to the reorganization or merger had such audited balance sheet, a pro forma balance sheet.

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

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

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

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

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

1. Organization under foreign law.

2. Association with a community of dealers, financial institutions, or other professional intermediaries with an established operating history.

3. Oversight by a governmental or self-regulatory body.



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- 185 4. Oversight standards set by general law.
- 186 5. Reporting of securities transactions on a regular basis
- 187 to a governmental or self-regulatory body.
- 188 6. A system for exchange of price quotations through common
- 189 communications media.
- 190 7. An organized clearance and settlement system.
- 191 8. Listing in Securities and Exchange Commission Regulation
- 192 S Rule 902, 17 C.F.R. s. 230.902, as amended.

193

194 ~~For purposes of this subsection, Canada, together with its~~

195 ~~provinces and territories, is designated as a foreign~~

196 ~~jurisdiction, and Toronto Stock Exchange, Inc., is designated as~~

197 ~~a securities exchange. If, after an administrative hearing in~~

198 ~~compliance with ss. 120.569 and 120.57, the office finds that~~

199 ~~revocation is necessary or appropriate in furtherance of the~~

200 ~~public interest and for the protection of investors, it may~~

201 ~~revoke the designation of a foreign securities exchange or~~

202 ~~foreign securities market under this subsection.~~

203 Section 3. Subsection (10) of section 517.0612, Florida

204 Statutes, is amended to read:

205 517.0612 Florida Invest Local Exemption.—

206 (10) The issuer must file with the office a notice of

207 transaction on a form prescribed by commission rule, an

208 irrevocable written consent to service of civil process in

209 accordance with s. 517.101, and a copy of the disclosure

210 statement described in subsection (8) at least ~~the offering with~~

211 ~~the office, in writing or in electronic form, in a format~~

212 ~~prescribed by commission rule, no less than 5 business days~~

213 ~~before the offering commences, along with the disclosure~~



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~~statement described in subsection (8).~~ If there are any material changes to the information previously submitted, the issuer must, within 3 business days after such material change, file an amended notice.

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

517.0614 Integration of offerings.—

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

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

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

2. Section 517.0611 or s. 517.0612.

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

517.0616 Disqualification.—

(1) A registration exemption under s. 517.061(11) ~~s.~~ 517.061(9), (10), and (11), s. 517.0611, or s. 517.0612 is not available to an issuer if, at the time the issuer makes an offer for the sale of a security, the issuer; a predecessor of the issuer; an affiliated issuer; a director, an executive officer, or other officer of the issuer participating in the offering; a general partner or managing member of the issuer; a beneficial owner of 20 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power; or a promoter connected with the issuer in any capacity at the time



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of such sale ~~that~~ would be disqualified under Securities and Exchange Commission Rule 506(d), 17 C.F.R. s. 230.506(d), as amended, ~~at the time the issuer makes an offer for the sale of a security.~~

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

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

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

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

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

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

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

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

517.081 Registration procedure.—

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



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

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

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

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

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

1. The application is complete.
2. The fee imposed in subsection (8) has been paid.
3. The sale of the security would not be fraudulent and would not work or tend to work a fraud upon the purchaser.



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

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

Section 8. Present subsections (7) through (22) of section 517.12, Florida Statutes, are redesignated as subsections (8) through (23), respectively, a new subsection (7) is added to that section, and subsection (6), present subsection (10), paragraph (b) of present subsection (14), and present subsections (19), (20), and (21) of that section are amended, to read:

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

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



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

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

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

(c) The applicant's or person's conviction of, or plea of nolo contendere to, a criminal offense or the applicant's or



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person's commission of any acts which would be grounds for refusal of an application under s. 517.161.

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

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

a. A natural person who files an application with the office for registration as an associated person.

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

c. A natural person who owns at least 5 percent of a dealer or investment adviser applicant.

d. With respect to each owner who owns at least 5 percent of a dealer or investment adviser applicant which is a corporation, partnership, trust, or limited liability company, each natural person who is a 25 percent or more owner or trustee of such entity, and each natural person who is a 25 percent or more owner or trustee at each level up the chain of ownership up to, but not including, an entity subject to s. 12 or s. 15(d) of the Securities Exchange Act of 1934, as amended.

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

a. A shareholder who owns a percentage of a class of voting



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securities of a dealer or investment adviser applicant, and
includes any person who owns, beneficially owns, has the right
to vote on, or has the power to sell or direct the sale of, the
percentage of a class of a voting security of the dealer or
investment adviser applicant specified in sub-subparagraph 1.c.
or sub-subparagraph 1.d. For purposes of this sub-subparagraph,
a person beneficially owns any securities:

(I) That are owned by the shareholder's child, stepchild,
grandchild, parent, stepparent, grandparent, spouse, sibling,
mother-in-law, father-in-law, son-in-law, daughter-in-law,
brother-in-law, or sister-in-law, sharing the same residence; or

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

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

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

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

3. For purposes of this subsection, the term "shareholder"



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means a person who owns at least one share of a corporation and whose ownership is reflected in the records of the corporation.

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

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

(d) The office shall review the results of the state and federal criminal history record checks and determine whether the applicant is disqualified from registration. The commission may waive by rule the requirement that the persons listed in this subsection submit fingerprints or the requirement that such fingerprints be processed by the Department of Law Enforcement or the Federal Bureau of Investigation. In waiving the requirement, the commission may consider the rules and regulations of the Securities and Exchange Commission, the model rules and acts of the North American Securities Administrators Association, Inc., and the rules and regulations of the Financial Industry Regulatory Authority.

(11) ~~(a)-(10)-(a)~~ If the office finds that the applicant has complied with the applicable registration provisions of this chapter and the rules made pursuant hereto, it shall register the applicant unless the applicant is otherwise disqualified for registration pursuant to law. The registration of each dealer,



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investment adviser, and associated person expires on December 31 of the year the registration became effective unless the registrant has renewed its registration on or before that date. Registration may be renewed by furnishing such information as the commission may require, together with payment of the fee required in paragraph (10)(a) ~~(9)(a)~~ for dealers, investment advisers, or associated persons and the payment of any amount lawfully due and owing to the office pursuant to any order of the office or pursuant to any agreement with the office. Any dealer, investment adviser, or associated person who has not renewed a registration by the time the current registration expires may request reinstatement of such registration by filing with the office, on or before January 31 of the year following the year of expiration, such information as may be required by the commission, together with payment of the fee required in paragraph (10)(a) ~~(9)(a)~~ for dealers, investment advisers, or associated persons and a late fee equal to the amount of such fee. Any reinstatement of registration granted by the office during the month of January shall be deemed effective retroactive to January 1 of that year.

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

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

2. Is or was a member of the United States Armed Forces and served on active duty within the 2 years preceding the expiration date of the registration pursuant to paragraph (a).
To qualify for the fee waiver, a registrant who is a former



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member of the United States Armed Forces who served on active duty within the 2 years preceding the expiration date of the registration must have received an honorable discharge upon separation or discharge from the United States Armed Forces; or

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

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

(15) ~~(14)~~

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

(20) ~~(19)~~ An intermediary may not engage in business in this state unless the intermediary is registered as a dealer or as an intermediary with the office pursuant to this section to facilitate the offer or sale of securities in accordance with s. 517.0611. An intermediary, in order to obtain registration, must



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file with the office a written application on a form prescribed by commission rule and pay a registration fee of \$200. The fees under this subsection shall be deposited into the Regulatory Trust Fund of the office. The commission may establish by rule procedures for depositing fees and filing documents by electronic means if such procedures provide the office with the information and data required by this section. Each intermediary must also file an irrevocable written consent to service of civil process, as provided in s. 517.101.

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

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

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

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

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

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

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

4. Contact information.

(b) The application must also contain such information as the commission may require by rule about the applicant; any member, principal, or director of the applicant or any person having a similar status or performing similar functions; or any persons directly or indirectly controlling the applicant. ~~Each~~



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~~applicant and any direct owners, principals, or indirect owners that are required to be reported on a form adopted by commission rule shall submit fingerprints for live scan processing in accordance with rules adopted by the commission. The fingerprints may be submitted through a third-party vendor authorized by the Department of Law Enforcement to provide live-scan fingerprinting. The costs of fingerprint processing shall be borne by the person subject to the background check. The Department of Law Enforcement shall conduct a state criminal history background check, and a federal criminal history background check must be conducted through the Federal Bureau of Investigation. The office shall review the results of the state and federal criminal history background checks and determine whether the applicant meets registration requirements. The commission may waive, by rule, the requirement that applicants, including any direct owners, principals, or indirect owners, which are required to be reported on a form adopted by commission rule, submit fingerprints or the requirement that such fingerprints be processed by the Department of Law Enforcement or the Federal Bureau of Investigation. The commission, by rule, or the office may require information about any applicant or person, including:~~

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

2. Any injunction or administrative order by a state or federal agency, national securities exchange, or national



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securities association involving a security or any aspect of an intermediary's regulated business and any injunction or administrative order by a state or federal agency regulating banking, insurance, finance, real estate, mortgage brokers, or other related or similar industries, which relate to such person.

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

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

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

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

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

d. With respect to each 5 percent or more owner of an intermediary applicant that is a corporation, partnership, trust, or limited liability company, each natural person who is a 25 percent or more owner or trustee of such entity, and each natural person who is a 25 percent or more owner or trustee at each level up the chain of ownership up to, but not including an



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entity subject to s. 12 or s. 15(d) of the Securities Exchange Act of 1934, as amended.

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

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

(I) That are owned by the shareholder's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or

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

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

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

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



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limited liability company managers of an intermediary applicant.

3. For purposes of this subsection, the term "shareholder"
means a person who owns at least one share of a corporation and
whose ownership is reflected in the records of the corporation.

===== D I R E C T O R Y C L A U S E A M E N D M E N T =====

And the directory clause is amended as follows:

Delete lines 54 - 56

and insert:

(21), (25), (26), (28) through (33), (35), and (36),
respectively, new subsections (6), (11), (13), (16), (22), (23),
(24), (27), and (34) are added to that section, and

===== T I T L E A M E N D M E N T =====

And the title is amended as follows:

Delete line 23

and insert:

fingerprint processing; defining the terms "owner" and
"shareholder";