

## **Notice of Opportunity to Inspect and Comment on Proposed Amendments to Chapters .01, .02 and .08 of Securities Division Regulations**

On April 14, 2006, the Maryland Register published proposed changes to two chapters of the Securities Division's blue sky and franchise regulations. The Commissioner proposes to amend Chapter .01 (General Administrative), Chapter .02 (Broker-Dealer), and Chapter .08 (Franchise), primarily to update the regulations and to codify certain existing orders promulgated by the Commissioner in recent years.

Official text of the proposals is in the April 14, 2006 *Maryland Register*, which can be accessed on line at [http://www.dsd.state.md.us/mdregister/3308/main\\_register.htm](http://www.dsd.state.md.us/mdregister/3308/main_register.htm); click on "Regulations" and scroll to "Title 02 Office of the Attorney General".

In addition to routine updating, the two securities-related proposals codify existing orders regarding the use of the Internet by issuers, broker-dealers, and investment advisers, and regarding exempting certain transactions with Canadians temporarily in Maryland or retired here. It also codifies the Division's existing approach to what constitutes unethical and dishonest conduct by broker-dealers and their agents.

As part of updating the franchise regulations, the third proposal alters the requirements relating to surety bonds, the exemption from franchise registration, and the periods covered by required sales reports.

Comments from the public are welcome, and must be submitted to the Commissioner in accordance with the Proposals no later than the close of business on May 15, 2006. A public hearing will be held on May 12, 2006 at the offices of the Securities Division, 200 St. Paul Place, in Baltimore, at 10:00 am.