

## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Broker-Dealer and Agent Licensing

**PROPOSED RULE NUMBER:** 02 32 Chapter 504

**CONCISE SUMMARY** (UNDERSTANDABLE BY AVERAGE CITIZEN):

The Office of Securities licenses all broker-dealers and agents who offer and sell securities in Maine. This chapter outlines licensing procedures and other requirements for these broker-dealers and agents. For example, the chapter describes how broker-dealers and agents apply to be licensed and what examinations and training are required before an agent license is issued. The chapter also provides guidance on how licensees can comply with statutory requirements to reasonably supervise agents and avoid unethical or dishonest conduct. Further, the chapter sets out minimum financial requirements for those broker-dealers that are not members of NASD. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL**  **WILL NOT**  **HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16406, 16411, 16412 and 16605

**PUBLIC HEARING** (IF ANY, GIVE DATE, TIME, LOCATION):

Wednesday, November 16, 2005, 1:00 p.m. to 5:00 p.m., Central Conference Room, Department of Professional and Financial Regulation, 124 Northern Avenue, Gardiner, Maine.

**DEADLINE FOR COMMENTS:** November 28, 2005

**AGENCY CONTACT PERSON:** Michael J. Colleran, Securities Administrator  
**AGENCY NAME:** Office of Securities  
**ADDRESS:** 121 State House Station, Augusta, ME 04333-0121  
**TELEPHONE:** (207) 624-8551

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FUND	AGENCY	ORG	APP	JOB	OBJT	AMOUNT
014	02A		012		4946	

## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Change of Ownership or Control of a Broker-dealer or Investment Adviser

**PROPOSED RULE NUMBER:** 02 32 Chapter 511

**CONCISE SUMMARY (UNDERSTANDABLE BY AVERAGE CITIZEN):**

The Office of Securities licenses all broker-dealers that offer and sell securities in Maine. The Maine Uniform Securities Act provides that the Securities Administrator may issue a rule requiring a licensed broker-dealer to file a new license application after it has a change in its ownership or control. This chapter describes the circumstances under which a licensed broker-dealer is considered to have changed its ownership or control in a manner significant enough to require the filing of a new license application. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL  WILL NOT  HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16407(4) and 16605

**PUBLIC HEARING (IF ANY, GIVE DATE, TIME, LOCATION):**

Wednesday, November 16, 2005, 1:00 p.m. to 5:00 p.m., Central Conference Room, Department of Professional and Financial Regulation, 124 Northern Avenue, Gardiner, Maine.

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014	02A		012		4946	

## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Definition of Client for Purposes of Investment Adviser Licensing and Notice Filing by Federal Covered Investment Advisers

**PROPOSED RULE NUMBER:** 02 32 Chapter 516

**CONCISE SUMMARY (UNDERSTANDABLE BY AVERAGE CITIZEN):**

The Office of Securities (“Office”) licenses all investment advisers that transact business in Maine. The Office also requires certain persons registered under the federal Investment Advisers Act, known as “federal covered investment advisers,” to file a notice with the Office before they transact business in Maine. The Maine Uniform Securities Act provides an exemption from these licensing and notice-filing requirements for investment advisers and federal covered investment advisers that have no place of business in Maine and have had, in the preceding 12 months, fewer than five clients who are Maine residents. This chapter explains how to count clients for purposes of this exemption. For example, an individual and his or her spouse are deemed to be a single client. A copy of the proposed rule may be obtained on the Office’s website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL \_\_\_ WILL NOT X HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. § 16605

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## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Maine Issuer Notification of Exemption Form

**PROPOSED RULE NUMBER:** 02 32 Chapter 533

**CONCISE SUMMARY** (UNDERSTANDABLE BY AVERAGE CITIZEN):

The Maine Uniform Securities Act (the “Act”) requires that all securities offered for sale in Maine must either be registered with the Office of Securities or meet one of the statutory exemptions from registration. Section 16202(15) provides an exemption for issuers that are based in Maine and that are offering securities through a “limited private offering,” as that term is described in the Act. This chapter adopts the “Notification of Exemption for Maine Issuers” as the form that Maine issuers must use to file for this exemption and provide to each person that the issuer is offering these securities in reliance on the exemption. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL  WILL NOT  HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16202(15)(E) and 16605

**PUBLIC HEARING** (IF ANY, GIVE DATE, TIME, LOCATION):

Wednesday, November 16, 2005, 1:00 p.m. to 5:00 p.m., Central Conference Room, Department of Professional and Financial Regulation, 124 Northern Avenue, Gardiner, Maine.

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014	02A		012		4946	

## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Limited Private Offering Exemptions; Purchasers Present in This State and Single Issue

**PROPOSED RULE NUMBER:** 02 32 Chapter 534

**CONCISE SUMMARY (UNDERSTANDABLE BY AVERAGE CITIZEN):**

The Maine Uniform Securities Act (the “Act”) requires that all securities offered for sale in Maine must either be registered with the Office of Securities or meet one of the statutory exemptions from registration. Two of these exemptions, found at 32 M.R.S.A. §16202(14) and (15), apply to certain private offerings that are sold to a limited number of purchasers who are present in Maine during any 12 consecutive months. This chapter describes how to calculate the number of purchasers of one of these offerings. It also describes the factors that are used to determine whether two or more offerings will be considered one offering for purposes of these exemptions. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL    WILL NOT   X   HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. § 16605

**PUBLIC HEARING (IF ANY, GIVE DATE, TIME, LOCATION):**

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014	02A		012		4946	

## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Securities Manuals

**PROPOSED RULE NUMBER:** 02 32 Chapter 536

**CONCISE SUMMARY** (UNDERSTANDABLE BY AVERAGE CITIZEN):

The Maine Uniform Securities Act (the “Act”) requires that all securities offered for sale in Maine must either be registered with the Office of Securities or meet one of the statutory exemptions from registration. Section 16202(2) of the Act provides a registration exemption for certain securities when, among other things, specified information about the issuer of the securities is contained in a “nationally recognized securities manual” that is designated as such within a rule or order of the Securities Administrator. This Chapter designates several securities manuals that issuers can use for purposes of meeting this exemption. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL  WILL NOT  HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16202(2)(D) and 16605

**PUBLIC HEARING** (IF ANY, GIVE DATE, TIME, LOCATION):

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## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Model Rescission Offer Forms

**PROPOSED RULE NUMBER:** 02 32 Chapter 542

**CONCISE SUMMARY (UNDERSTANDABLE BY AVERAGE CITIZEN):**

The Maine Uniform Securities Act (“the Act”) allows for private civil actions to be filed in some circumstances against those who violate the Act. Persons with the right to bring such an action lose that right if the alleged violator makes a rescission offer to them, so long as that offer contains the information required by section 16510 of the Act. That section also allows the Securities Administrator to prescribe, by rule, the form that a proper rescission offer must take. This Chapter adopts two model rescission offer forms that issuers may use to offer rescission in compliance with section 16510. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL  WILL NOT  HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16510(2) and 16605

**PUBLIC HEARING (IF ANY, GIVE DATE, TIME, LOCATION):**

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## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** REPEAL Chapter 505: General Definitions

**PROPOSED RULE NUMBER:** 02 32 Chapter 505

**CONCISE SUMMARY** (UNDERSTANDABLE BY AVERAGE CITIZEN):

The Office of Securities is proposing to repeal Chapter 505 because each term that is defined therein is being defined instead in any other rule that uses that term. This will make the definition of these terms more easily accessible to persons reading the agency's rules. Chapter 505 will therefore be unnecessary. A copy of the rule to be repealed may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL \_\_\_ WILL NOT X HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. § 10703(1)(B)

**PUBLIC HEARING** (IF ANY, GIVE DATE, TIME, LOCATION):

Wednesday, November 16, 2005, 1:00 p.m. to 5:00 p.m., Central Conference Room, Department of Professional and Financial Regulation, 124 Northern Avenue, Gardiner, Maine.

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## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities AND Bureau of Financial Institutions  
Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Financial Institutions and Broker-Dealers Engaging in Third Party Brokerage Transactions [JOINT RULE]

**PROPOSED RULE NUMBER:** 02 29 Chapter 129 [Bureau of Financial Institutions]  
02 32 Chapter 506 [Office of Securities]

**CONCISE SUMMARY** (UNDERSTANDABLE BY AVERAGE CITIZEN):

On December 31, 2005, a new statute, the Maine Uniform Securities Act (“the Act”), takes effect and replaces the existing state securities statute. The Act has different section numbers and in some cases uses different terminology from the existing statute. These statutory changes require that all existing rules be amended to reflect new citations and new terminology. This joint rule allows financial institutions to enter into agreements with licensed broker-dealers to offer securities transactions to customers of the financial institution without requiring the financial institution to become licensed in Maine as a broker-dealer.

Comments for the Office of Securities may be directed to Securities Administrator Michael J. Colleran. Comments for the Bureau of Financial Institutions may be directed to the Superintendent, Lloyd P. LaFountain, III. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or on the Bureau of Financial Institutions website, [www.MaineBankingReg.org](http://www.MaineBankingReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121, or the Bureau of Financial Institutions at 36 State House Station, Augusta, Maine 04333-0036.

**THIS RULE WILL  WILL NOT  HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 9-B M.R.S.A. §§ 111 and 241; 32 M.R.S.A. § 16605

**PUBLIC HEARING** (IF ANY, GIVE DATE, TIME, LOCATION):

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**TELEPHONE:** (207) 624-8551

**AGENCY CONTACT PERSON:** Lloyd P. LaFountain III, Superintendent  
**AGENCY NAME:** Bureau of Financial Institutions  
**ADDRESS:** 36 State House Station, Augusta, ME 04333-0036  
**TELEPHONE:** (207) 624-8570

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014	02A		012		4946	

## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Licensing Exemption for Certain Broker-Dealers

**PROPOSED RULE NUMBER:** 02 32 Chapter 507

**CONCISE SUMMARY (UNDERSTANDABLE BY AVERAGE CITIZEN):**

On December 31, 2005, a new statute, the Maine Uniform Securities Act (“the Act”), takes effect and replaces the existing state securities statute. The Act has different section numbers and in some cases uses different terminology from the existing statute. These statutory changes require that all existing rules be amended to reflect new citations and new terminology. This chapter exempts certain Canadian broker-dealers from Maine licensing and registration requirements. The proposed amendments also expand this exemption to cover the licensing of agents of such broker-dealers. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL \_\_\_ WILL NOT X HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16401(4), 16402(2), 16203, and 16605(1)

**PUBLIC HEARING (IF ANY, GIVE DATE, TIME, LOCATION):**

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014	02A		012		4946	

## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Broker-Dealers, Investment Advisers, and Others Using the Internet for General Dissemination of Information about Securities Products and Services

**PROPOSED RULE NUMBER:** 02 32 Chapter 510

**CONCISE SUMMARY (UNDERSTANDABLE BY AVERAGE CITIZEN):**

On December 31, 2005, a new statute, the Maine Uniform Securities Act (“the Act”), takes effect and replaces the existing state securities statute. The Act has different section numbers and in some cases uses different terminology from the existing statute. These statutory changes require that all existing rules be amended to reflect new citations and new terminology. This chapter clarifies when the licensing requirements of the Act apply to persons who distribute information on securities products and services through Internet communications available to persons in Maine. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL  WILL NOT  HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16401-16404 and 16605

**PUBLIC HEARING (IF ANY, GIVE DATE, TIME, LOCATION):**

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## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Investment Adviser Licensing

**PROPOSED RULE NUMBER:** 02 32 Chapter 515

**CONCISE SUMMARY** (UNDERSTANDABLE BY AVERAGE CITIZEN):

On December 31, 2005, a new statute, the Maine Uniform Securities Act ("the Act"), takes effect and replaces the existing state securities statute. The Act has different section numbers and in some cases uses different terminology from the existing statute. These statutory changes require that all existing rules be amended to reflect new citations and new terminology. This chapter outlines the procedures for the licensing of investment advisers and investment adviser representatives in Maine. The proposed amendments would also change the custody provisions of the chapter to exempt investment advisers from additional record-keeping and net worth requirements if certain safeguards are met. The unethical practices provision of the rule would also be amended to specify that investment adviser representatives are also subject to that provision. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL \_\_\_ WILL NOT X HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16102, 16405, 16406, 16408 and 16409

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## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Rule Regarding Small Company Offering Registrations

**PROPOSED RULE NUMBER:** 02 32 Chapter 525

**CONCISE SUMMARY** (UNDERSTANDABLE BY AVERAGE CITIZEN):

On December 31, 2005, a new statute, the Maine Uniform Securities Act ("the Act"), takes effect and replaces the existing state securities statute. The Act has different section numbers and in some cases uses different terminology from the existing statute. These statutory changes require that all existing rules be amended to reflect new citations and new terminology. This chapter simplifies the registration process for small companies that wish to offer and sell their securities to the public. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL \_\_\_ WILL NOT  HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16304(6), 16305(7) and 16605

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## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Securities Offerings on the Internet

**PROPOSED RULE NUMBER:** 02 32 Chapter 532

**CONCISE SUMMARY (UNDERSTANDABLE BY AVERAGE CITIZEN):**

On December 31, 2005, a new statute, the Maine Uniform Securities Act ("the Act"), takes effect and replaces the existing state securities statute. The Act has different section numbers and in some cases uses different terminology from the existing statute. These statutory changes require that all existing rules be amended to reflect new citations and new terminology. This chapter clarifies when an offer for sale of securities on the Internet is exempt from the registration requirements of the Act. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL \_\_\_ WILL NOT X HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16203 and 16605

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## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** REPEAL Chapter 535: Rule Exempting Certain Exchange Listed Securities

**PROPOSED RULE NUMBER:** 02 32 Chapter 535

**CONCISE SUMMARY (UNDERSTANDABLE BY AVERAGE CITIZEN):**

The Office of Securities is proposing to repeal Chapter 535 because states are now preempted under federal law from requiring registration of any securities listed or approved for listing on the exchanges named in this chapter. Given this preemption, it is unnecessary to have a rule that specifically exempts such securities from the Act's registration requirements. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL  WILL NOT  HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 10502(3) and 10703

**PUBLIC HEARING (IF ANY, GIVE DATE, TIME, LOCATION):**

Wednesday, November 16, 2005, 1:00 p.m. to 5:00 p.m., Central Conference Room, Department of Professional and Financial Regulation, 124 Northern Avenue, Gardiner, Maine.

**DEADLINE FOR COMMENTS:** November 28, 2005

**AGENCY CONTACT PERSON:** Michael J. Colleran, Securities Administrator  
**AGENCY NAME:** Office of Securities  
**ADDRESS:** 121 State House Station, Augusta, ME 04333-0121  
**TELEPHONE:** (207) 624-8551

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FUND	AGENCY	ORG	APP	JOB	OBJT	AMOUNT
014	02A		012		4946	

## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Exemption for Offers and Sales to Accredited Investors

**PROPOSED RULE NUMBER:** 02 32 Chapter 537

**CONCISE SUMMARY (UNDERSTANDABLE BY AVERAGE CITIZEN):**

On December 31, 2005, a new statute, the Maine Uniform Securities Act (“the Act”), takes effect and replaces the existing state securities statute. The Act has different section numbers and in some cases uses different terminology from the existing statute. These statutory changes require that all existing rules be amended to reflect new citations and new terminology. This chapter exempts from the Act’s registration requirements any offers and sales of securities to accredited investors. It also exempts from the Act’s licensing requirements any agents of the issuers offering those securities. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL \_\_\_ WILL NOT X HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16203, 16402(2)(I), and 16605

**PUBLIC HEARING (IF ANY, GIVE DATE, TIME, LOCATION):**

Wednesday, November 16, 2005, 1:00 p.m. to 5:00 p.m., Central Conference Room, Department of Professional and Financial Regulation, 124 Northern Avenue, Gardiner, Maine.

**DEADLINE FOR COMMENTS:** November 28, 2005

**AGENCY CONTACT PERSON:** Michael J. Colleran, Securities Administrator  
**AGENCY NAME:** Office of Securities  
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**TELEPHONE:** (207) 624-8551

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FUND	AGENCY	ORG	APP	JOB	OBJT	AMOUNT
014	02A		012		4946	

## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Exemption for Offers and Sales to the Finance Authority of Maine

**PROPOSED RULE NUMBER:** 02 32 Chapter 538

**CONCISE SUMMARY (UNDERSTANDABLE BY AVERAGE CITIZEN):**

On December 31, 2005, a new statute, the Maine Uniform Securities Act (“the Act”), takes effect and replaces the existing state securities statute. The Act has different section numbers and in some cases uses different terminology from the existing statute. These statutory changes require that all existing rules be amended to reflect new citations and new terminology. This chapter exempts from the Act’s registration requirements any offers and sales of securities to the Finance Authority of Maine. It also exempts from the Act’s licensing requirements any agents of the issuers effecting those transactions. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL    WILL NOT   X   HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16402(2)(I), 16203, and 16605

**PUBLIC HEARING (IF ANY, GIVE DATE, TIME, LOCATION):**

Wednesday, November 16, 2005, 1:00 p.m. to 5:00 p.m., Central Conference Room, Department of Professional and Financial Regulation, 124 Northern Avenue, Gardiner, Maine.

**DEADLINE FOR COMMENTS:** November 28, 2005

**AGENCY CONTACT PERSON:** Michael J. Colleran, Securities Administrator  
**AGENCY NAME:** Office of Securities  
**ADDRESS:** 121 State House Station, Augusta, ME 04333-0121  
**TELEPHONE:** (207) 624-8551

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FUND	AGENCY	ORG	APP	JOB	OBJT	AMOUNT
014	02A		012		4946	

## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Offers and Sales of Viatical or Life Settlement Contracts

**PROPOSED RULE NUMBER:** 02 32 Chapter 539

**CONCISE SUMMARY (UNDERSTANDABLE BY AVERAGE CITIZEN):**

On December 31, 2005, a new statute, the Maine Uniform Securities Act (“the Act”), takes effect and replaces the existing state securities statute. The Act has different section numbers and in some cases uses different terminology from the existing statute. These statutory changes require that all existing rules be amended to reflect new citations and new terminology. This chapter describes the disclosure and new notice filing requirements that issuers must meet in order to avail themselves of a statutory exemption from the Act’s registration requirements for offers or sales of viatical or life settlement contracts. This chapter does not exempt from the Act’s licensing requirements any broker-dealers or agents who offer or sell these securities. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL \_\_\_ WILL NOT X HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. § 16605

**PUBLIC HEARING (IF ANY, GIVE DATE, TIME, LOCATION):**

Wednesday, November 16, 2005, 1:00 p.m. to 5:00 p.m., Central Conference Room, Department of Professional and Financial Regulation, 124 Northern Avenue, Gardiner, Maine.

**DEADLINE FOR COMMENTS:** November 28, 2005

**AGENCY CONTACT PERSON:** Michael J. Colleran, Securities Administrator  
**AGENCY NAME:** Office of Securities  
**ADDRESS:** 121 State House Station, Augusta, ME 04333-0121  
**TELEPHONE:** (207) 624-8551

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FUND	AGENCY	ORG	APP	JOB	OBJT	AMOUNT
014	02A		012		4946	

## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Adjudicatory Proceedings Rule

**PROPOSED RULE NUMBER:** 02 32 Chapter 540

**CONCISE SUMMARY (UNDERSTANDABLE BY AVERAGE CITIZEN):**

On December 31, 2005, a new statute, the Maine Uniform Securities Act (“the Act”), takes effect and replaces the existing state securities statute. The Act has different section numbers and in some cases uses different terminology from the existing statute. These statutory changes require that all existing rules be amended to reflect new citations and new terminology. This chapter establishes procedures for the conduct of adjudicatory proceedings before the Office of Securities. The proposed amendments would also remove the provision that allows persons not authorized to practice law in Maine to represent parties in such proceedings, as that provision is in apparent conflict with other Maine law. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL \_\_\_ WILL NOT X HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 5 M.R.S.A. § 8051 and 32 M.R.S.A. § 16605

**PUBLIC HEARING (IF ANY, GIVE DATE, TIME, LOCATION):**

Wednesday, November 16, 2005, 1:00 p.m. to 5:00 p.m., Central Conference Room, Department of Professional and Financial Regulation, 124 Northern Avenue, Gardiner, Maine.

**DEADLINE FOR COMMENTS:** November 28, 2005

**AGENCY CONTACT PERSON:** Michael J. Colleran, Securities Administrator  
**AGENCY NAME:** Office of Securities  
**ADDRESS:** 121 State House Station, Augusta, ME 04333-0121  
**TELEPHONE:** (207) 624-8551

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FUND	AGENCY	ORG	APP	JOB	OBJT	AMOUNT
014	02A		012		4946	

## NOTICE OF AGENCY RULE-MAKING PROPOSAL

**AGENCY:** Office of Securities, Department of Professional and Financial Regulation

**RULE TITLE OR SUBJECT:** Initial and Annual Renewal Fees

**PROPOSED RULE NUMBER:** 03 32 Chapter 541

**CONCISE SUMMARY** (UNDERSTANDABLE BY AVERAGE CITIZEN):

On December 31, 2005, a new statute, the Maine Uniform Securities Act ("the Act"), takes effect and replaces the existing state securities statute. The Act has different section numbers and in some cases uses different terminology from the existing statute. These statutory changes require that all existing rules be amended to reflect new citations and new terminology. Further, the Act mandates that the Securities Administrator set licensing, renewal, and notice fees beneath statutory fee caps. This chapter currently sets the fee only for renewals of agent licenses. Given the new statutory mandate, the proposed amendments would set forth all fees for broker-dealers, agents, investment advisers and their representatives, federal covered investment advisers, and branch offices. A copy of the proposed rule may be obtained on the Office of Securities website, [www.MaineSecuritiesReg.org](http://www.MaineSecuritiesReg.org), or by contacting the Office of Securities at 121 State House Station, Augusta, Maine 04333-0121.

**THIS RULE WILL \_\_\_ WILL NOT X HAVE A FISCAL IMPACT ON MUNICIPALITIES.**

**STATUTORY AUTHORITY:** 32 M.R.S.A. §§ 16410(1) and 16605

**PUBLIC HEARING** (IF ANY, GIVE DATE, TIME, LOCATION):

Wednesday, November 16, 2005, 1:00 p.m. to 5:00 p.m., Central Conference Room, Department of Professional and Financial Regulation, 124 Northern Avenue, Gardiner, Maine.

**DEADLINE FOR COMMENTS:** November 28, 2005

**AGENCY CONTACT PERSON:** Michael J. Colleran, Securities Administrator  
**AGENCY NAME:** Office of Securities  
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FUND	AGENCY	ORG	APP	JOB	OBJT	AMOUNT
014	02A		012		4946	