

**PUBLIC HEARING NOTICE  
OHIO DEPARTMENT OF COMMERCE  
DIVISION OF SECURITIES**

**DATE: June 1, 2021**

**TIME: 10:00 a.m.**

**LOCATION: Microsoft Teams / Videoconference**

A public hearing will be held by the Ohio Department of Commerce, Division of Securities on **June 1, 2021 at 10:00 a.m.** via Microsoft Teams and videoconference. The purpose of this public hearing is to solicit comment on the following Administrative Rules:

1301:6-3-03                      Exempt transactions -This revision removes outdated statutory references due to the elimination of a federal rule analog.

1301:6-3-04.1                  Control bids - Clerical to correct a typo (numerical) statutory reference: Correct RC 1704 to 1707.

1301:6-3-09.1                  Registration by coordination - Eliminates outdated telegram reference and replace with email alternative

1301:6-3-09.3                  Electronic filings - Update for convenience of filer to relax regulatory requirement by providing additional filing option

1301:6-3-12                      Documents Open to Inspection - Remove outdated statutory reference due to elimination of a federal rule analog (striking RC 1707.03(W))

1301:6-3-14.1                  Notice filing for certain IAs; duty to update - Revised list of federal requirements noted in rule to include new Form CRS (a/k/a Regulation Best Interest, Form A DV Part 3), which became effective federally in June 2020.

1301:6-3-15.1                  Application for IA's license; responsibilities of licensed IA - Amend to modernize filing process requirements; to modify existing exam requirements for sole proprietors to align with majority state model rules (with grandfathering to existing licensees); and clarify existing record keeping requirements.

1301:6-3-16                      Application for salesperson's license; updating - reflect federal exam changes implemented by FINRA. FINRA revised exams to phase out obsolete exams and to require a new exam (SIE- Securities Industry Essentials) as a prerequisite to existing exams. Also revise the rule to adopt a state-level exam, (with grandfathering to existing licensees) to align with majority state model rule (46 jurisdictions).

1301:6-3-16.1                  Application for an investment adviser representative's license - Update the state rule to reflect federal exam changes implemented by FINRA. FINRA revised exams to phase out obsolete exams and to require a new exam (SIE- Securities Industry Essentials) as a prerequisite to existing exams. Also revises the rule to adopt a state-level exam (with grandfathering to existing licensees) to align with majority state model rule. The revision will also modernize and update the fingerprint requirements for licensure.

1301:6-3-16.3                  Application for a state retirement system investment officer's license -Update fingerprinting process to align process with current practice of having fingerprints taken via electronic WebCheck facility (versus ink-rolled card) for Ohio residents.

1301:6-3-16.5                      Application for a bureau of workers' compensation chief investment officer license - Update fingerprinting process to align process with current practice of having fingerprints taken via electronic WebCheck facility (versus ink-rolled card) for Ohio residents.

1301:6-3-19                      Deceptive practices and good business reputé – Update to reflect changes made in the federal conduct standard for broker-dealers (Regulation Best Interest).

1301:6-3-39.1                      Retroactive exemption, qualification or registration – Update to reflect elimination of a federal rule analog, to clarify the corrective period for late notice filings, and to provide corrective filing relief to at least two additional classes of notice filers.

1301:6-3-44                      Investment adviser and investment adviser representative and fraudulent practices; general prohibitions; cross transactions - Update custody rule and clarify the fiduciary duties owed by investment advisers and investment adviser representatives, to align with a majority of state model rules and federal and state common law.

The rule amendments may be obtained from the Department's website at <https://www.com.ohio.gov/ProposedRules.aspx>. The rules are also available at the following website: [www.registerofohio.state.oh.us](http://www.registerofohio.state.oh.us).

At the public hearing, any person affected by the proposed actions may appear virtually and be heard in person, by the person's attorney, or both, may present the person's position, arguments, or contentions, orally or in writing, offer and examine witnesses, and present evidence tending to show that the proposed rule or amendments, if adopted or effectuated, will be unreasonable or unlawful.

To participate via Microsoft teams:

## Microsoft Teams meeting

### **Join on your computer or mobile app**

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682042763@t.plcm.vc

Video Conference ID: 118 522 447 0

[Alternate VTC dialing instructions](#)

### **Or call in (audio only)**

[+1 614-721-2972,,745031592#](#) United States, Columbus

Phone Conference ID: 745 031 592#

To participate via written testimony in lieu of appearance: Any person who wishes to present his or her position, arguments or contentions in writing may do so by mailing his or her written comments to the Ohio Department of Commerce, Division of Securities, 77 S. High Street, 22nd Floor, Columbus, OH 43215 or emailing [kelly.kauffman@com.ohio.gov](mailto:kelly.kauffman@com.ohio.gov). All written comments must be received by the Department no later than **5:00 p.m.** on **May 31, 2021**. Written comments submitted after this date may be considered as time and circumstances permit.

The Ohio Department of Commerce is an equal opportunity service provider.

