

State of Rhode Island and Providence Plantations
DEPARTMENT OF BUSINESS REGULATION
Division of Securities
1511 Pontiac Avenue
Cranston, Rhode Island 02920

CONCISE EXPLANATORY STATEMENT

Securities Regulations – Rules 207, 209 and 212

The Department of Business Regulation (“Department”) hereby adopts amendments to Securities Regulations rules 207, 209 and 212 effective June 15, 2010 and makes this statement in accordance with R.I. Gen. Laws § 42-35-2.3. The Department makes these amendments in order to (1) amend Rule 207 to remove definition of “branch offices” which will reduce regulatory burden on broker dealers and allow them to utilize a newly designed FINRA license, (2) amend Rule 209 to accurately reflect the intent of § 7-11-209(c)(2) of RIUSA while at the same time effectively complying with record requests associated with both broker-dealer and investment adviser examinations and/or investigations and (3) add SEC and FINRA to Rule 212. In addition all references to NASD have been changed to FINRA. There is one difference between the text of the proposed rule as published in accordance with R.I. Gen. Laws § 42-35-3 and the rule as adopted. That difference is the addition of the June 15, 2010 effective date in reference to the amended sections on pages 1 and 2 of the regulations.