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**MATT BLUNT**

**SECRETARY OF STATE**

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**MATT BLUNT**

**Administrative Rules Division**

James C. Kirkpatrick State Information Center

600 W. Main

Jefferson City, MO 65101

(573) 751-4015

**DIRECTOR**

LYNNE C. ANGLE

**EDITORS**

BARBARA MCDUGAL

JAMES MCCLURE

**ASSOCIATE EDITORS**

CURTIS W. TREAT

SALLY L. REID

TIFFANY M. DAVIS

**PUBLISHING STAFF**

WILBUR HIGHBARGER

HEATHER M. DOWNS

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Documents will be accepted for filing on all regular workdays from 8:00 a.m. until 5:00 p.m. We encourage early filings to facilitate the timely publication of the *Missouri Register*. Orders of Rulemaking appearing in the *Missouri Register* will be published in the *Code of State Regulations* and become effective as listed in the chart above. Advance notice of large volume filings will facilitate their timely publication. We reserve the right to change the schedule due to special circumstances. Please check the latest publication to verify that no changes have been made in this schedule. To review the entire year's schedule, please check out the website at <http://www.sos.mo.gov/adrules/pubsched.asp>

# Missouri Depository Libraries

The *Missouri Register* and the *Code of State Regulations*, as required by the Missouri Depository Documents Law (section 181.100, RSMo 2000), are available in the listed depository libraries, as selected by the Missouri State Library:

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## HOW TO CITE RULES AND RSMo

**RULES**—Cite material in the *Missouri Register* by volume and page number, for example, Vol. 28, *Missouri Register*, page 27. The approved short form of citation is 28 MoReg 27.

The rules are codified in the *Code of State Regulations* in this system—

Title	Code of State Regulations	Division	Chapter	Rule
1	CSR	10-	1.	010
Department		Agency, Division	General area regulated	Specific area regulated

They are properly cited by using the full citation, i.e., 1 CSR 10-1.010.

Each department of state government is assigned a title. Each agency or division in the department is assigned a division number. The agency then groups its rules into general subject matter areas called chapters and specific areas called rules. Within a rule, the first breakdown is called a section and is designated as (1). Subsection is (A) with further breakdown into paragraph 1., subparagraph A., part (I), subpart (a), item I. and subitem a.

**RSMo**—The most recent version of the statute containing the section number and the date.



## **FROM THIS ANGLE...**

### **Doing final order with changes?**

When you prepare to do the paperwork for your final order of rulemaking with changes, please contact us to get the Word printout of your rulemaking as it appeared in the proposed stage. This will assist you greatly in preparing your final order. E-mail us at [rules@sosmain.state.mo.us](mailto:rules@sosmain.state.mo.us). It is our job to help you with making certain your rules are properly formatted and reflect the most current version that exists.

### **Did you know?**

As technology has advanced, so have the many processes within the Office of Secretary of State Matt Blunt – specifically the Administrative Rules Division.

For some time now, you may have been receiving e-mails from a member of our staff, as opposed to a telephone call, to get your approval on small editorial type changes, sentence structure, and/or grammar issues, etc. We have found not only is this extremely efficient and less time consuming method of contact, it also provides documentation of the correction/change being made.

In the upcoming months, we are excited to report we will be launching an automation project. We have been engaged in meetings, planning, have enlisted the help of some of you for your input, and have worked with a software architect to write a specific program that we believe will be, when fully integrated, of tremendous help to all involved in the rulemaking process. This will be phased in over a period of time – the first phase beginning with our office and our internal processes. We are extremely grateful for the opportunity to improve this process and look forward to the opportunity to work with each of you and your various departments, divisions, offices and programs in the full integration of automation.

## Preparing a fiscal note?

When preparing a fiscal note, please be very careful to:

- 1) Check with your internal legal counsel regarding the true cost of the rulemaking *in the aggregate* (meaning for the “lifetime” of the rulemaking). Remember to calculate both private and public costs. Our office cannot and will not advise you on the calculations of your agency’s fiscal impact statements.
- 2) Remember fiscal notes are required with the adoption, amendment or rescission of a rule that would require an expenditure of money by or a reduction in income for any person, firm, corporation, association, partnership, proprietorship or business entity of any kind or character which is estimated to cost more than five hundred dollars (\$500) in the aggregate and shall be filed at the time of filing the notice.
- 3) Read sections 536.200 through 536.205, RSMo 2000, for any questions you may have regarding what should be contained in your fiscal note.
- 4) Remember . . . if at the end of the first full fiscal year after implementation of the rule, amendment or rescission, the cost to affected public entities has exceeded by 10% or more, or has exceeded five hundred dollars (\$500), the original estimated cost, together with the actual cost shall be published by the adopting agency in the *Missouri Register* within ninety (90) days after the close of the first full fiscal year. ***Such costs shall be determined by the adopting agency . . . and failure to publish such costs shall render the rule, amendment, or rescission void and of no further force or effect.***

As always, call if we may be assistance in the preparation of your rulemakings, in teaching a class to your agency on proper format, preparation of your rulemaking paperwork, etc., please contact us.



Lynne C. Angle, Director  
Administrative Rules Division

**R**ules appearing under this heading are filed under the authority granted by section 536.025, RSMo 2000. An emergency rule may be adopted by an agency if the agency finds that an immediate danger to the public health, safety or welfare, or a compelling governmental interest requires emergency action; follows procedures best calculated to assure fairness to all interested persons and parties under the circumstances; follows procedures which comply with the protections extended by the *Missouri* and the *United States Constitutions*; limits the scope of such rule to the circumstances creating an emergency and requiring emergency procedure, and at the time of or prior to the adoption of such rule files with the secretary of state the text of the rule together with the specific facts, reasons and findings which support its conclusion that there is an immediate danger to the public health, safety or welfare which can be met only through the adoption of such rule and its reasons for concluding that the procedure employed is fair to all interested persons and parties under the circumstances.

**R**ules filed as emergency rules may be effective not less than ten (10) days after filing or at such later date as may be specified in the rule and may be terminated at any time by the state agency by filing an order with the secretary of state fixing the date of such termination, which order shall be published by the secretary of state in the *Missouri Register* as soon as practicable.

**A**ll emergency rules must state the period during which they are in effect, and in no case can they be in effect more than one hundred eighty (180) calendar days or thirty (30) legislative days, whichever period is longer. Emergency rules are not renewable, although an agency may at any time adopt an identical rule under the normal rulemaking procedures.

**Title 1—OFFICE OF ADMINISTRATION  
Division 10—Commissioner of Administration  
Chapter 18—Retirement Policy**

**EMERGENCY RULE**

**1 CSR 10-18.010 Retirement Policy**

*PURPOSE: The state of Missouri adopted a retirement incentive providing health insurance at the active rate for five (5) years for eligible retirees meeting specific criteria. State agencies are allowed to fill only twenty-five percent (25%) of the positions vacated because of the retirement incentive between February 1, 2003 and September 1, 2003. Exceptions to the twenty-five percent (25%) restriction may be made for critical or seasonal positions, or positions which are entirely federally funded. This rule establishes the definitions of those exceptions.*

*EMERGENCY STATEMENT: For the purpose of immediately meeting the need of preserving a compelling governmental interest, including but not limited to fiscal responsibility and efficiency, the Office of Administration provides the following determinations and definitions for critical or seasonal positions, or positions which are entirely federally funded. A proposed rule, which covers the same material, was published in the September 2, 2003 issue of the Missouri Register. The scope of this emergency rule is limited to the circumstances creating the emergency and complies with the protec-*

*tions extended in the Missouri and United States Constitutions. The commissioner of administration believes this emergency rule is fair to all interested persons and parties under the circumstances. This emergency rule was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) Critical Positions Exceptions Defined. For purposes of this rule, critical positions are defined as follows:

(A) Physicians, psychiatrists, psychologists, security aides, registered nurses, licensed practical nurses, nursing assistants, psychiatric aides, developmental assistants, and teacher and teacher aides and therapists in the schools for the severely handicapped, deaf and blind when those positions are involved in the direct care and treatment of patients and students;

(B) Social service workers, social service supervisors I, caseworkers, self-sufficiency case managers, income maintenance (IM) supervisor I, Division of Family Services (DFS) county directors, when those positions are required to meet the daily subsistence needs of recipients of state services;

(C) Correction officers, correction supervisors, probation and parole officers, judiciary staff, capitol police, youth specialists, youth group leaders, water patrol, when those positions are required to ensure the public health and safety of the public; and

(D) Department directors may petition to the commissioner of administration for the inclusion of specific positions where it is demonstrated that there is imminent risk to human health and safety or substantial revenues will be lost with no opportunity for future recovery if the position(s) remains vacant.

(2) Definitions of Seasonal and Federally Funded Positions. For purposes of this rule, seasonal and federally funded positions are defined as follows:

(A) Seasonal employees are defined as employees in positions involving short term, part-time or intermittent work schedules which do not exceed one thousand (1,000) hours per year, and who are eligible to retire based on prior state service in benefit eligible positions. Such seasonal positions may be refilled; and

(B) Entirely federally funded positions are defined as positions that have been funded one hundred percent (100%) with federal funds for the previous twelve (12) months.

(3) Department of Transportation and Department of Conservation. As provided by the authorizing statute, should the highway commission that governs the health care plans of the Missouri Department of Transportation and the Missouri Highway Patrol and the Conservation Commission of the Department of Conservation exercise the option to offer the medical benefit provided by the authorizing statute, each agency shall adhere to the provision of not refilling more than twenty-five percent (25%) of the vacated positions. No exceptions shall be granted except those otherwise expressed by this rule.

(4) Specific Educational Institutions. As provided by the authorizing statute, the provisions of this rule do not apply to Truman University, Lincoln University, or the educational institutions described in section 174.020, RSMo.

*AUTHORITY: Senate Bills Nos. 248, 100, 118, 233, 247, 341 and 420, as enacted, truly agreed and finally passed by the First Regular Session of the 92nd General Assembly (Section 2.5) and styled in part "relating to the retirement system and benefits, with penalty provisions and an emergency clause for certain sections." Original rule filed July 21, 2003. Emergency rule filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004.*

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 50—General**

**EMERGENCY AMENDMENT**

**15 CSR 30-50.010 Definitions.** The commissioner is amending section (1).

*PURPOSE:* The purpose of this amendment is to define additional terms, delete terms, redefine terms and bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the **Missouri Register**. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the **Missouri and United States Constitutions**. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 25, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) When the terms listed in this rule are used in the Missouri *[Uniform]* Securities Act of 2003 (the Act), these rules, the forms and the orders of the commissioner, the following meanings shall apply (unless the context otherwise requires), together with those which may later appear to the extent that they are not inconsistent with definitions provided in Chapter 409, RSMo:

(A) Act means Chapter 409, RSMo, otherwise known as the Missouri *[Uniform]* Securities Act of 2003;

*[(L)]* Investment company, for the purpose of section 409.305(j) of the Act, means an issuer defined in Section 3, Investment Company Act of 1940;

*[(M)](L)* Isolated, for the purpose of section 409.*[402(b)(1)]*2-202(1) of the Act, means standing alone, disconnected from any other transactions;

*[(N)](M)* NASD means the National Association of Securities Dealers, Inc.;

*[(O)](N)* NASAA means the National Association of Securities Administrators Association, Inc.;

*[(P)](O)* Parent means an affiliate controlling another person;

*[(Q)](P)* Predecessor means a person, a major portion of whose business, assets or control has been acquired by another;

*[(R)](Q)* Promoter means a person who—

1. Acting alone or in conjunction with one (1) or more other persons, directly or indirectly, takes the initiative in founding and organizing or reorganizing the business or enterprise of an issuer; and

2. In connection with the founding and organizing or reorganizing of the business or enterprise of an issuer, directly or indirectly, receives in consideration of services or property, or both services and property, a substantial amount of any class of securities of the issuer or a substantial amount of the proceeds from the sale of any class of securities;

*[(S)](R)* Registrant means an applicant for whom, or an issuer with respect to whose securities, a registration has become effective;

*[(T)]* Sale or sell—

1. For the purpose of section 409.401(m)(6)(C) of the Act, the phrase “any act incident to a class vote by stockholders” shall include the issuance of securities by a corporation and the distribution of securities to its security holders or to another corporation or to the security holders of such other corporation, by the issuing corporation or by such other corporation in connection with any merger, consolidation, reclassification of securities or sale of corporate assets referred to in section 409.401(m)(6)(C); and

2. For the purpose of section 409.401(m)(6)(D) of the Act, the phrase “any act incident to a judicially approved reorganization,” shall include the issuance of securities of the types defined in Section 3(a)(7) (receivers’ and trustees’ certificates) and in Section 3(a)(10) (securities issued in reorganizations) of the Securities Act of 1933;]

*[(U)]* Sign or signature means—

1. To execute or adopt a tangible symbol with the present intent to authenticate a record; or

2. To attach or logically associate an electronic symbol, sound, or process to or with;]

*[(V)](S)* SEC means the United States Securities and Exchange Commission;

*[(W)](T)* Subsidiary means an affiliate controlled by another person;

*[(X)](U)* Underwriter means a person who has purchased from an issuer or an affiliate of an issuer with a view to, or offers or sells for an issuer or an affiliate of an issuer in connection with, the distribution of any security, or participates or has a participation in the direct or indirect underwriting of any such undertaking. Not included is a person whose interest is limited to a commission from an underwriter or dealer not in excess of the usual and customary distributors’ or sellers’ commission; *[and]*

*(V)* Viatical settlement, for the purpose of section 409.1-102(28)(E), RSMo, includes, but is not limited to, a viatical settlement contract which means a written agreement establishing the terms under which compensation or anything of value will be paid, which compensation or value is less than the expected death benefit of the insurance policy or certificate, in return for the viator’s assignment, transfer, sale, devise or bequest of the death benefit or ownership of any portion of the insurance policy or certificate of insurance. A viatical settlement contract also includes:

1. A contract for a loan or other financing transaction with a viator secured primarily by an individual or group life insurance policy, other than a loan by a life insurance company pursuant to the terms of the life insurance contract, or a loan secured by the cash value of a policy; and

2. An agreement with a viator to transfer ownership or change the beneficiary designation at a later date regardless of the date that compensation is paid to the viator; and

*[(Y)](W)* For the purpose of section 409.*[402(a)(6)]*2-201(3) of the Act, the words *[industrial loan association, or similar association organized and supervised under the laws of this state]* banking institution or other depository institution do not include *[in their meaning]* any loan and investment company formed under the provisions of Chapter 368, RSMo.

*AUTHORITY:* section[s] 409.406(a) and 409.413(a), RSMo 2000] 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 25, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the **Missouri Register**.



**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 50—General**

**EMERGENCY AMENDMENT**

**15 CSR 30-50.020 General Instructions.** The commissioner is amending sections (2), (5) and (7) and deleting section (8).

*PURPOSE: The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.*

(2) Filing Documents with the Securities Division.

(B) All written communications, including applications and inquiries not submitted through the CRD System or the IARD System, shall be delivered by mail or carrier to Secretary of State, Securities Division, 600 W. Main Street, PO Box 1276, Jefferson City, MO 65102; or by facsimile to Secretary of State, Securities Division, (573) 526-3124; or by electronic mail to an address approved by the commissioner [in a manner suitable for maintenance as a permanent record of the office] (section 409.414(a))6-606(a), RSMo).

(E) All applications and other documents received and filed in the division become a part of its permanent records [(section 409.414(a), RSMo)] and may not be returned to the applicant or correspondent.

(5) Interpretive Opinions. Interpretive opinions (section 409.414(e))6-605(d), RSMo) including no action letters are rendered only in writing. Informal discussions with the commissioner or members of the staff of the Securities Division shall not be taken to signify any determination or approval concerning the matters discussed.

(7) Open Records Policy. The commissioner shall issue an open records policy in compliance with Chapter 610, RSMo and consistent with section 409.6-607, RSMo.

[(8) Commissioner's Seal. The Seal of the Office of Secretary of State shall constitute the seal of the commissioner and of his/her office (section 409.414(d) and (f), RSMo).]

*AUTHORITY: sections [409.406(a), 409.407(a) and 409.414, RSMo 2000] 409.6-605, 409.6-606 and 409.6-607, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003,*

*expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 50—General**

**EMERGENCY AMENDMENT**

**15 CSR 30-50.030 Fees.** The commissioner is amending sections (1)–(5) and (7)–(10).

*PURPOSE: The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 25, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) General Provisions.

(D) Fees paid in connection with applications filed through other electronic systems that are approved by the commissioner may be sent by wire transfer to the financial institution designated by the Office of the Missouri Secretary of State.

(2) Registration of Securities (section 409.3-305(b) [and (j)], RSMo). The fees for registration of securities are as follows:

(3) Federal Covered Securities. The filing fees for federal covered securities are as follows:

(A) Face-*[a]*Amount *[c]*Certificate *[c]*Companies or *[o]*Open-*[e]*End *[m]*Management *[c]*Companies. The fees for securities issued by these companies, as classified under the Investment Company Act of 1940 and that are offered or sold in this state, shall consist of the following:

1. Initial filing fee. The initial filing fee is one hundred dollars (\$100). The initial filing fee must be paid prior to the initial offer of the securities in this state. A separate initial filing fee is required for each portfolio of securities.

2. Filing fee. A filing fee of one-twentieth of one percent (1/20 of 1%) of the amount of securities sold in this state during the issuer's previous fiscal year must be paid within sixty (60) days of the issuer's fiscal year end. The maximum filing fee for the securities sold in this state during a fiscal year is three thousand dollars (\$3,000) [and the minimum filing fee is one hundred dollars (\$100)]. This maximum filing fee includes the initial filing fee for the first fiscal year. In addition, the renewal fee described in subsection (3)(C) below can be applied as the filing fee for the first two hundred thousand dollars (\$200,000) of securities sold in this

**state during a fiscal year.** A separate filing fee is required for each portfolio of securities.

(B) Closed End Management Companies and Unit Investment Trusts. The fees for securities issued by these companies, as classified under the Investment Company Act of 1940 and that are offered or sold in this state, shall consist of the following:

1. Initial filing fee. The initial filing fee is one hundred dollars (\$100). The initial filing fee of one hundred dollars (\$100) includes the filing fee for the first one hundred thousand dollars (\$100,000) of securities to be sold in this state.

2. Filing fee. The filing fee *[to sell]* for any additional amount of securities sold above the first one hundred thousand dollars (\$100,000) is one-twentieth of one percent (1/20 of 1%) of the amount of the additional securities *[to be]* sold in this state **during the issuer's previous fiscal year and must be paid within sixty (60) days of the issuer's fiscal year end.** The maximum filing fee is one thousand dollars (\$1,000) and includes the initial filing fee.

*[(C) Unit Investment Trusts. The fees for securities issued by unit investment trusts, as classified under the Investment Company Act of 1940 and that are offered or sold in this state, shall consist of the following:*

1. Initial filing fee. The initial filing fee is one hundred dollars (\$100). The initial filing fee must be paid prior to the initial offer of the securities in this state. The initial filing fee of one hundred dollars (\$100) includes the fee for the first one hundred thousand dollars (\$100,000) of securities sold in this state.

2. Filing fee. After the initial offering is complete, the issuer must pay a filing fee of one-twentieth of one percent (1/20 of 1%) of the amount of securities sold in this state above the first one hundred thousand dollars (\$100,000). The maximum filing fee is one thousand dollars (\$1,000) and includes the initial filing fee.]

(C) Renewal Fee for Investment Companies. The annual renewal fee for investment companies is one hundred dollars (\$100) and must be paid on or within thirty (30) days before the anniversary of the effective date or at the time of the fiscal year end.

(D) Regulation D, Rule 506. The filing fee for each offering under Regulation D, Rule 506, is one hundred dollars (\$100). **There shall be a payment of fifty dollars (\$50) for any late filing.**

(4) Registration of Broker-Dealers and Investment Advisers (section 409.*[202(b)]4-410*, RSMo). The filing fees for registration of broker-dealers and investment advisers are as follows:

(5) Registration of Agents and Investment Adviser Representatives. The filing fees for registration of broker-dealer agents and investment adviser representatives are as follows:

(A) Initial Registration—fifty dollars (\$50); *[and]*

(B) Renewal Registration—fifty dollars (\$50).*]; and*

(C) Change of Registration—fifty dollars (\$50).

(7) Document Requests. The fees for copies of documents and records in the division, or reports relating to these documents or records, are as follows: ten cents (\$.10) per page, plus five dollars (\$5) for certification and two dollars (\$2) per page for telephone and electronic transmittals (sections 28.160 and 409.*[414(d)]6-606(c)*, RSMo).

(8) Interpretive Opinions. Interpretive opinions, including no action letters and opinions that involve a claim of exception from a definition under section 409.*[401]1-102*, *[of the Act]* RSMo or otherwise from the scope of the Act, may be provided to interested persons for a filing fee of one hundred dollars (\$100) (section 409.*[414(e)]6-605(d)*, RSMo).

(9) Notice Filing for Exemptions. The filing fee for a notice filing/s/ for an exemption under sections 409.*[402]2-201*, **409.2-202** or **409.2-203**, *[of the Act]* RSMo is one hundred dollars (\$100).

(10) Refunds.

(A) No refund of filing fees shall be permitted in the instances of applications for registration of securities and for registration of broker-dealers, agents, investment advisers and representatives of investment advisers, even though the applications are denied or withdrawn (section/s/ 409.*[202(b)]4-410* *[and 409.305(b)]*, RSMo);

(B) Registration fees, but not filing fees, will be refunded upon withdrawal of an application. Registration fees will not be refunded if an application is denied registration pursuant to section 409.**3-306/305**, RSMo *[of the Act]*; and

*AUTHORITY: sections [409.202(b), 409.305(b) and (j), 409.413, 409.414(d) and (e), RSMo 2000] 409.3-302, 409.3-305(b), 409.4-410, 409.6-605 and 409.6-606(c), RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 25, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

## Title 15—ELECTED OFFICIALS Division 30—Secretary of State Chapter 50—General

### EMERGENCY AMENDMENT

**15 CSR 30-50.040 Forms.** The commissioner is amending sections (1) and (2).

*PURPOSE: The purpose of this amendment is to update the forms adopted and approved for filing with the commissioner, to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed forms in this emergency amendment which contain substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) The following forms have been adopted and approved for filing with the Securities *[d]*Division:

(A) Broker-Dealers, Agents, Investment Advisers, and Investment Adviser Representatives—

1. Form BD—Uniform Application for Broker-Dealer Registration approved *[July 1999]* May 2001, OMB Approval Number 3235-0012, or any form which substantially comports with the specified form;

2. Form BDW—Uniform Request for Broker-Dealer Withdrawal approved [August 1999] November 2000, OMB Approval Number 3235-0018, or any form which substantially comports with the specified form;

3. Form SBD-1—Missouri Broker-Dealer Affidavit revised October 2001, or any form which substantially comports with the specified form;

4. Form X-17A-5—Financial and Operational Combined Uniform Single Report approved [October 1999] July 2002, OMB Approval Number 3235-0123, or any form which substantially comports with the specified form;

5. Form U-4—Uniform Application for Securities Industry Registration or Transfer adopted by the North American Securities Administration Association (NASAA) on April [29/16, 200/1/3], or any form which substantially comports with the specified form;

6. Form U-5—Uniform Termination Notice for Securities Industry Registration adopted by the NASAA on April [29/16, 200/1/3], or any form which substantially comports with the specified form;

7. Form SA-1—Missouri Application for Renewal Registration as Agent revised [October 2001] August 2003, or any form which substantially comports with the specified form;

8. Form ADV—Uniform Application for Investment Adviser Registration approved [January 1999] July 2003, OMB Approval Number 3235-0049, or any form which substantially comports with the specified form;

9. Form ADV-W—Uniform Notice of Withdrawal from Registration as Investment Adviser approved January [1999] 2001, OMB Approval Number 3235-0313, or any form which substantially comports with the specified form;

10. Form SADV-1—State Covered Investment Adviser Affidavit revised March 2002, or any form which substantially comports with the specified form;

11. Form SADV-SH—State Application for Hardship Exemption from IARD revised October 2001, or any form which substantially comports with the specified form; and

12. Form U-2—Uniform Consent to Service of Process adopted by NASAA and revised November 1997, or any form which substantially comports with the specified form.

(B) Registration of Securities—

1. Form U-1—Uniform Application to Register Securities adopted by NASAA and revised February 1997, or any form which substantially comports with the specified form;

2. Form SR-1—[Missouri Application to Register Securities by Notification revised December 2001] Form of Prospectus for Registration of Securities by Qualification revised August 2003;

3. Form U-2—Uniform Consent to Service of Process adopted by NASAA and revised November 1997, or any form which substantially comports with the specified form;

4. Form U-2A—Uniform Form of Corporate Resolution adopted by NASAA and revised April 1998, or any form which substantially comports with the specified form;

5. Form SR-2—Missouri Annual Report for Renewal of Registration of Securities revised December 2001;

6. Form SR-3—Midwest Regional Review Application revised [December 2001] July 2003, or any form which substantially comports with the specified form;

7. Form SR-4—Missouri Impoundment of Funds Agreement revised September 2002, or any form which substantially comports with the specified form;

8. Form SR-5—Missouri Application for Registration of Single Family Mortgage Revenue Bonds revised June 2002, or any form which substantially comports with the specified form; and

[7.] 9. Form U-7—Small Company Offering Registration (SCOR) Form adopted by NASAA and revised September 1999, or any form which substantially comports with the specified form.

(C) Exemptions from Registration, Exceptions from Definition, Federal Covered Securities—

1. Form SE-1—Missouri Statement of Claim for the Exemption of Securities of [an Agricultural Cooperative Association] a New Generation Processing Entity revised [December 2001] August 2003;

[2. Form SE-2—Missouri Application for Exception from Definition as Agent for Sellers of Agricultural Cooperative Securities revised December 2001;]

[3.]2. Form NF—Uniform Investment Company Notice Filing adopted by NASAA April 1997, or any form which substantially comports with the specified form; and

[4.]3. Form D—Notice of Sale of Securities Pursuant to Regulation D, Section 4 (6), and/or Uniform Limited Offering Exemption approved in June [1999] 2002, OMB Approval Number 3235-0076, or any form which substantially comports with the specified form.

(D) Commodities—

1. Form C-4—Missouri Commodity Broker-Dealer, Sales Representative, Statutory Bond, revised June 2001, or any form which substantially comports with the specified form; and

2. Form C-16—Missouri Application for Renewal Registration of Sales Representative revised June 2001, or any form which substantially comports with the specified form.

(2) The Securities [d]Division on request will supply the forms listed in this rule in printed format. Accurate reproduction of the forms may be utilized for filing in lieu of the printed forms. All uniform forms are electronically available at <http://www.sos.mo.gov/securities>.

*AUTHORITY: section [409.413(a), RSMo 2000] 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS**

**Division 30—Secretary of State**

**Chapter 51—Broker-Dealers, Agents, Investment Advisers, and Investment Adviser Representatives**

**EMERGENCY AMENDMENT**

**15 CSR 30-51.010 General Instructions.** The commissioner is amending the Authority section.

*PURPOSE: The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division*

believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** sections [409.202 and 409.413(a), RSMo 2000] 409.4-402(e), 409.4-406(e) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.

## Title 15—ELECTED OFFICIALS

### Division 30—Secretary of State

#### Chapter 51—Broker-Dealers, Agents, Investment Advisers, and Investment Adviser Representatives

#### EMERGENCY AMENDMENT

##### 15 CSR 30-51.020 Applications for Registration or Notice Filings.

The commissioner is amending sections (1), (2), (3), (5) and (7).

**PURPOSE:** The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) Broker-Dealer Application. The application for registration as broker-dealer shall contain the information outlined in section 409.[202/4-406(a) of the Act and in this rule. National Association of Securities Dealers (NASD) members must file applications in accordance with the guidelines of the Central Registration Depository (CRD) System.

(2) Broker-Dealer Agent and Issuer Agent Application. The application for registration as a broker-dealer agent or issuer agent shall contain the information outlined in section 409.[202/4-406(a) of the Act and in this rule. NASD members must file applications in accordance with the guidelines of the CRD System.

(3) Investment Adviser Application. The application for registration as an investment adviser shall contain the information outlined in section 409.[202/4-406(a) of the Act and in this rule. All applicants must file applications in accordance with the guidelines of the Investment Adviser Registration Depository (IARD) System, unless the commissioner has granted a hardship exemption under section (6).

(5) Investment Adviser Representative Application. The application for registration as an investment adviser representative shall contain the information outlined in section 409.[202/4-406(a), RSMo and in this rule. All applicants must file applications [with the commissioner] in accordance with the guidelines of the CRD System, unless the commissioner has granted a hardship exemption under section (6).

(7) Amendments to Application. Any amendment of an application pursuant to section 409.[203(d)]4-406(b), RSMo and 15 CSR 30-51.160(3) shall be filed with the appropriate form marked AMENDED.

**AUTHORITY:** sections [409.202 and 409.413(a), RSMo 2000] 409.4-406 and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.

## Title 15—ELECTED OFFICIALS

### Division 30—Secretary of State

#### Chapter 51—Broker-Dealers, Agents, Investment Advisers, and Investment Adviser Representatives

#### EMERGENCY AMENDMENT

**15 CSR 30-51.030 Examination Requirement.** The commissioner is amending sections (2) and (3).

**PURPOSE:** The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.

(2) The following examinations are required for the following applicants:

(A) Broker-Dealer Agent Application. **General** [A]agents of [general] securities broker-dealers are required to take and pass:

1. The Series 7 examination; and
2. Either Series 63 or the Series 66 examination.

(B) Specialized [Broker-Dealer] Agent of a **Broker-Dealer** or Issuer Agent Application. **Specialized** [A]agents of [specialized] broker-dealers or issuers are required to take and pass:

1. The applicable NASD examination; and
2. Either the Series 63 or the Series 66 examination.

(3) Waiver of Examination Requirement for Broker-Dealer Agents. The commissioner may by order grant an agent registration to an applicant that has not complied with the examination requirements set forth in 15 CSR 30-51.030(2) if granting the registration is in the public interest and the applicant is able to demonstrate exceptional experience in and knowledge of the securities markets and applicable regulations, or the broker-dealer agent has taken and passed the previous equivalent of the required examination and has been previously registered as a broker-dealer agent with the NASD. For agents of NASD members, unless a proceeding under section 409.204(c)4-412, RSMo has been instituted, a waiver of the examination requirement by the NASD shall be deemed a waiver by the commissioner.

*AUTHORITY:* sections [409.202, 409.204(b)(6) and 409.413(a), RSMo 2000] 409.4-412(e) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 51—Broker-Dealers, Agents, Investment**  
**Advisers, and Investment Adviser Representatives**

**EMERGENCY AMENDMENT**

**15 CSR 30-51.040 Financial Statements.** The commissioner is amending sections (1) and (2).

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) A financial statement shall consist of a balance sheet, a profit and loss statement, statement of change in financial condition, certified unless otherwise prescribed hereinafter or permitted by the commissioner [(sections 409.202(a)(5) and 409.413(c), RSMo)].

(2) Every applicant for initial registration as broker-dealer or investment adviser shall file a financial statement as follows:

(B) As to initial registration as an investment adviser, the applicant shall file a verified [financial report consisting of a] balance sheet [and capital computation as of a date] current within thirty (30)

days prior to filing[, together with the latest annual financial statement, if applicable].

*AUTHORITY:* sections [409.202 and 409.413(a), RSMo 1986] 409.4-411(b) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 51—Broker-Dealers, Agents, Investment**  
**Advisers, and Investment Adviser Representatives**

**EMERGENCY AMENDMENT**

**15 CSR 30-51.050 Net Capital Requirements for Broker-Dealers.** The commissioner is amending sections (1) and (5), deleting section (2) and renumbering the remaining sections.

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) A broker-dealer registered [with the Securities and Exchange Commission] or required to be registered under the Missouri Securities Act of 2003 (the Act) shall maintain net capital [requirements] in accordance with rule 15c3-1 under the Securities Exchange Act of 1934.

[(2) A broker-dealer not registered with the SEC shall have the net capital necessary to comply with all of the following conditions:

(A) The aggregate indebtedness to all other persons of a broker-dealer who has been registered under the Act for at least one (1) year shall not exceed two thousand percent (2,000%) of his/her net capital. The aggregate indebtedness to all other persons of a broker-dealer who has been registered under the Act for less than one (1) year shall not exceed one thousand percent (1,000%) of his/her net capital; and

(B) S/he shall have and maintain net capital of not less than ten thousand dollars (\$10,000).]

[(3)](2) The commissioner, by order, which may apply individually or to a class, may establish a lower net capital requirement, a lower

cash reserve requirement, or a higher maximum ratio of aggregate indebtedness to net capital either unconditionally or upon special terms or conditions, for a broker-dealer who satisfies the commissioner that because of the special nature of his/her business and his/her financial condition and the safeguards that have been established for the protection of customers' funds, investors would not be adversely affected.

[(4)](3) A broker-dealer not in compliance with the aggregate indebtedness, net capital or cash reserve requirements shall cease soliciting new business and shall immediately notify the commissioner in writing.

[(5)](4) For the purposes of this rule and to insure uniform interpretation, the terms aggregate indebtedness and net capital shall have the respective meanings as defined in rule 15c3-1 under the Securities Exchange Act of 1934. *[A copy of any pertinent subordination agreement shall be filed with the commissioner within ten (10) days after the agreement has been entered into and shall meet the requirements of a satisfactory subordination agreement as that term is defined in rule 15c3-1.]*

*AUTHORITY: sections [409.202 and 409.413(a), RSMo 1986] 409.4-411(a) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 51—Broker-Dealers, Agents, Investment  
Advisers, and Investment Adviser Representatives**

**EMERGENCY AMENDMENT**

**15 CSR 30-51.060 Broker-Dealer Notice of Net Capital Deficiency.** The commissioner is amending section (1) and deleting sections (2) and (3).

*PURPOSE: The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) Broker-dealers registered *[with the Securities and Exchange Commission and subject to rule 15c3-1 of the Securities Exchange Act of 1934]* or required to be registered under the

**Missouri Securities Act of 2003 (the Act)** whose net capital at any time is less than the minimum required by *[any net capital rule to which a person is subject] 15c3-1 under the Securities Exchange Act of 1934* shall give notice and file such reports with the commissioner as are required to be given and filed with the Securities and Exchange Commission (SEC) under Regulation 17a-11 of the Securities Exchange Act of 1934.

[(2) Every registered broker-dealer, other than those which effect only transactions in redeemable securities of investment companies registered under the Investment Company Act of 1940 and who do not hold or owe funds or securities for or to any customers except prior to prompt completion of customers' transactions, who is not registered with the SEC shall make a computation of its net capital and ratio of its aggregate indebtedness to its net capital not less than monthly and shall comply with the following requirements:

(A) No withdrawal of any part of their net worth, including subordinated indebtedness, whether by redemption, retirement, repurchase, repayment or otherwise, shall be permitted or effected that will cause its net capital to be less than one hundred twenty percent (120%) of the amount prescribed in 15 CSR 30-51.050 or its aggregate indebtedness to exceed one thousand five hundred percent (1,500%) of its net capital, without notice to the commissioner as follows (section 409.203(b)):

1. Every broker-dealer to which this rule is applicable, whose net capital is less than one hundred twenty percent (120%) the amount prescribed in 15 CSR 30-51.050 or whose aggregate indebtedness exceeds one thousand five hundred percent (1,500%) of its net capital, shall promptly notify the commissioner by telegraph or in writing of the deficiency and its extent; and

2. Every broker-dealer to which this rule is applicable shall file with the commissioner a report in writing on its net capital and ratio of its aggregate indebtedness to its net capital as of the end of each month in which its net capital is less than one hundred twenty percent (120%) of the amount prescribed in 15 CSR 30-51.050 or its aggregate indebtedness exceeds one thousand two hundred percent (1,200%) of its net capital, promptly after it has knowledge of that fact and in no event later than fifteen (15) days after the end of each such month.

(3) The commissioner, in coordination with the securities administrators of other states and in addition to any other reports s/he may require, may require all registered broker-dealers to which section (1) is applicable to file reports on their net capital and aggregate indebtedness as of the end of any month, without prior notice, once during each year (section 409.203(b), RSMo.)

*AUTHORITY: sections [409.202 and 409.413(a), RSMo 1986] 409.4-411(a) and (b), and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 51—Broker-Dealers, Agents, Investment  
Advisers, and Investment Adviser Representatives**

**EMERGENCY AMENDMENT**

**15 CSR 30-51.070 Minimum [Capital] Net Worth Requirements for Investment Advisers.** The commissioner is amending the title and section (1).

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) Every investment adviser shall have and maintain [capital] net worth (assets minus liabilities), to include all cash, securities and tangible assets of not less than five thousand dollars (\$5,000). [The commissioner may establish a lower minimum capital if the investment adviser satisfactorily demonstrates that the activities to be engaged in do not necessitate such a large capital base (section 409.202(d), RSMo).]

*AUTHORITY:* sections [409.202 and 409.413(a), RSMo 1986] 409.4-411(a) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

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**EMERGENCY AMENDMENT**

**15 CSR 30-51.090 Segregation of Accounts by Broker-Dealers.** The commissioner is amending the Authority section.

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the

circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.

*AUTHORITY:* sections [409.203, 409.204 and 409.413(a), RSMo 1986] 409.4-411(c) and (f), and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

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**EMERGENCY AMENDMENT**

**15 CSR 30-51.100 Custody of Securities or Funds by Investment Advisers.** The commissioner is amending section (1) and adding section (2).

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) Investment advisers [required to be registered as such under the Act shall not take or] may have custody or possession of [any] the securities or funds [or any] of a client [(section 409.102(c)(1), RSMo).] provided that the investment adviser maintains custody or possession in accordance with the requirements set forth in 17 CFR Section 275.206(4)-2(a)(1)-(5).

(2) An investment adviser who is also registered as a broker-dealer may comply with 17 CFR Section 275.206(4)-2(b) with respect to custody in lieu of the requirements set forth in 17 CFR Section 275.206(4)-2(a)(1)-(5).

*AUTHORITY:* sections [409.102(c)(1) and 409.413(a), RSMo 1986] 409.4-411(f) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency

amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

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**Advisers, and Investment Adviser Representatives**

**EMERGENCY AMENDMENT**

**15 CSR 30-51.110 Confirmations.** The commissioner is amending the Authority section.

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.

*AUTHORITY:* sections [409.203, 409.204 and 409.413(a), RSMo 1986] 409.4-411(c) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

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**EMERGENCY RESCISSION**

**15 CSR 30-51.120 Records Required of Broker-Dealers.** This rule prescribed the books and records to be kept by broker-dealers.

*PURPOSE:* The commissioner of securities is proposing to rescind this rule and adopt a new rule that complies with the National Securities Markets Improvement Act of 1996 and the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescis-

sion, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency rescission on August 21, 2003. This emergency rescission was filed August 25, 2003, effective September 12, 2003 and expires March 9, 2004.

*AUTHORITY:* sections 409.203 and 409.413(a), RSMo 1986. Original rule filed June 25, 1968, effective Aug. 1, 1968. Amended: Filed May 21, 1969, effective Aug. 1, 1969. Amended: Filed July 21, 1972, effective Aug. 1, 1972. Amended: Filed Nov. 15, 1974, effective Nov. 25, 1974. Amended: Filed Oct. 16, 1986, effective Feb. 12, 1987. Emergency rescission filed Aug. 25, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the *Missouri Register*.

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**EMERGENCY RULE**

**15 CSR 30-51.120 Records Required of Broker-Dealers**

*PURPOSE:* The purpose of this emergency rule is to prescribe the books and records required to be kept by broker-dealers that complies with the National Securities Markets Improvement Act of 1996 and the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency rule brings the rule into compliance with the Missouri Securities Act of 2003. This emergency rule is necessary to protect the health, safety and welfare by having a regulation that is consistent with and cites the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rule, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rule is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency rule on August 21, 2003. This emergency rule was filed August 25, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) Every broker-dealer registered or required to be registered under the Missouri Securities Act of 2003 shall make and maintain records as required for brokers or dealers under the rules promulgated under the Securities Exchange Act of 1934, as amended (17 CFR 240.17a-3).

*AUTHORITY:* sections 409.4-411(c) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency rescission and rule filed Aug. 25, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rule covering this same material is published in this issue of the *Missouri Register*.



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**EMERGENCY RESCISSION**

**15 CSR 30-51.130 Records to be Preserved by Broker-Dealers.** This rule prescribed the periods of time for which books and records of broker-dealers shall be preserved.

*PURPOSE:* The commissioner of securities is proposing to rescind this rule and adopt a new rule that complies with the National Securities Markets Improvement Act of 1996 and the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri* and *United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency rescission on August 21, 2003. This emergency rescission was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.

*AUTHORITY:* sections 409.203 and 409.413(a), RSMo 1986. Original rule filed June 25, 1968, effective Aug. 1, 1968. Amended: Filed May 21, 1969, effective Aug. 1, 1969. Amended: Filed July 21, 1972, effective Aug. 1, 1972. Amended: Filed Nov. 15, 1974, effective Nov. 25, 1974. Emergency rescission filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the *Missouri Register*.

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**EMERGENCY RULE**

**15 CSR 30-51.130 Records to be Preserved by Broker-Dealers**

*PURPOSE:* The purpose of this emergency rule is to prescribe the books and records required to be kept by broker-dealers that complies with the National Securities Markets Improvement Act of 1996 and the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency rule brings the rule into compliance with the Missouri Securities Act of 2003. This emergency rule is necessary to protect the health, safety and welfare by having a regulation that is consistent with and cites the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rule, which covers the

same material, is published in this issue of the *Missouri Register*. The scope of this emergency rule is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri* and *United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency rule on August 21, 2003. This emergency rule was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) Every broker-dealer registered or required to be registered under the Missouri Securities Act of 2003 shall make and maintain records as required for brokers or dealers under the rules promulgated under the Securities Exchange Act of 1934, as amended, (17 CFR 240.17a-4).

*AUTHORITY:* sections 409.4-411(c) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency rescission and rule filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rule covering this same material is published in this issue of the *Missouri Register*.

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**EMERGENCY RESCISSION**

**15 CSR 30-51.140 Records Required of Investment Advisers.** This rule prescribed the books and records to be kept by investment advisers.

*PURPOSE:* The commissioner of securities is proposing to rescind this rule and adopt a new rule that complies with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri* and *United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency rescission on August 21, 2003. This emergency rescission was filed August 25, 2003, effective September 12, 2003 and expires March 9, 2004.

*AUTHORITY:* sections 409.203 and 409.413(a), RSMo 1986. Original rule filed June 25, 1968, effective Aug. 1, 1968. Amended: Filed May 21, 1969, effective Aug. 1, 1969. Amended: Filed July 21, 1972, effective Aug. 1, 1972. Amended: Filed Nov. 15, 1974, effective Nov. 25, 1974. Emergency rescission filed Aug. 25, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the *Missouri Register*.

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**EMERGENCY RULE**

**15 CSR 30-51.140 Records Required of and to be Preserved by Investment Advisers**

*PURPOSE: The purpose of this emergency rule is to prescribe the books and records to be kept by investment advisers that complies with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency rule brings the rule into compliance with the Missouri Securities Act of 2003. This emergency rule is necessary to protect the health, safety and welfare by having a regulation that is consistent with and cites the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rule, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency rule is limited to the circumstances creating the emergency and the procedures used by the Securities Division Advisory Panel reviewed the substance of this emergency rule on August 21, 2003. This emergency rule was filed August 25, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) Every investment adviser registered or required to be registered under the Missouri Securities Act of 2003 shall make and keep true, accurate and current the following books and records relating to its investment advisory business:

(A) A journal or journals, including cash receipts and disbursements, records, and any other records of original entry forming the basis of entries in any ledger;

(B) General and auxiliary ledgers (or other comparable records) reflecting asset, liability, reserve, capital, income and expense accounts;

(C) A memorandum of each order given by the investment adviser for the purchase or sale of any security, of any instruction received by the investment adviser concerning the purchase, sale, receipt or delivery of a particular security, and of any modification or cancellation of any such order or instruction. Such memoranda shall show the terms and conditions of the order, instruction, modification or cancellation; shall identify the person connected with the investment adviser who recommended the transaction to the client and the person who placed such order; and shall show the account for which entered, the date of entry, and the bank, broker or dealer by or through whom executed where appropriate. Orders entered pursuant to the exercise of discretionary power shall be so designated;

(D) All checkbooks, bank statements, cancelled checks and cash reconciliations of the investment adviser;

(E) All bills or statements (or copies thereof), paid or unpaid, relating to the business of the investment adviser as such;

(F) All trial balances, financial statements, and internal audit working papers relating to the business of such investment adviser;

(G) Originals of all written communications received and copies of all written communications sent by such investment adviser relating to any recommendation made or proposed to be made and any advice given or proposed to be given, any receipt, disbursement or delivery of funds or securities, or the placing or execution of any order to purchase or sell any security. Provided, however, the investment adviser shall not be required to keep any unsolicited market letters and

other similar communications of general public distribution not prepared by or for the investment adviser, and that if the investment adviser sends any notice, circular or other advertisement offering any report, analysis, publication or other investment advisory service to more than ten (10) persons, the investment adviser shall not be required to keep a record of the names and addresses of the persons to whom it was sent; except that if such notice, circular or advertisement is distributed to persons named on any list, the investment adviser shall retain with the copy of such notice, circular or advertisement a memorandum describing the list and the source thereof;

(H) A list or other record of all accounts in which the investment adviser is vested with any discretionary power with respect to the funds, securities or transactions of any client;

(I) All powers of attorney and other evidences of the granting of any discretionary authority by any client to the investment adviser, or copies thereof;

(J) All written agreements (or copies thereof) entered into by the investment adviser with any client or otherwise relating to the business of such investment adviser as such;

(K) A copy of each notice, circular, advertisement, newspaper article, investment letter, bulletin or other communication that the investment adviser circulates or distributes, directly or indirectly, to ten (10) or more persons (other than persons connected with such investment adviser), and if such notice, circular, advertisement, newspaper article, investment letter, bulletin or other communication recommends the purchase or sale of a specific security and does not state the reasons for such recommendation, a memorandum of the investment adviser indicating the reasons therefor;

(L) A copy of each written disclosure statement and each amendment or revision thereof, given or sent to any client or prospective client of such investment adviser, and a record of the dates that each written disclosure statement, and each amendment or revision thereof, was given, or offered to be given, to any client or prospective client who subsequently becomes a client;

(M) All written agreements or acknowledgments of receipt obtained from clients and copies of the disclosure documents delivered to clients by these solicitors pursuant to 15 CSR 30-51.145; and

(N) All accounts, books, internal working papers, and any other records or documents that are necessary to form the basis for or demonstrate the calculation of the performance or rate of return of any or all managed accounts or securities recommendations in any notice, circular, advertisement, newspaper article, investment letter, bulletin or other communication that the investment adviser circulates or distributes, directly or indirectly, to ten (10) or more persons (other than persons connected with such investment adviser); provided, however, that, with respect to the performance of managed accounts, the retention of all account statements, if they reflect all debits, credits, and other transactions in a client's account for the period of the statement, and all worksheets necessary to demonstrate the calculation of the performance or rate of return of all managed accounts shall be deemed to satisfy the requirements of this subsection.

(2) If an investment adviser subject to section (1) of this rule has custody or possession of securities or funds of any client, the records required to be made and kept under section (1) of this rule shall include:

(A) A journal or other record showing all purchases, sales, receipts and deliveries of securities (including certificate numbers) for such accounts and all other debits and credits to such accounts;

(B) A separate ledger account for each such client showing all purchases, sales, receipts and deliveries of securities, the date and price of each purchase and sale, and all debits and credits;

(C) Copies of confirmations of all transactions effected by or for the account of any such client; and

(D) A record for each security in which any such client has a position, which record shall show the name of each such client having

any interest in such security, the amount or interest of each such client, and the location of each such security.

(3) Every investment adviser subject to section (1) of this rule who renders any investment supervisory or management service to any client shall, with respect to the portfolio being supervised or managed and to the extent that the information is reasonably available to or obtainable by the investment adviser, make and keep true, accurate and current:

(A) Records showing separately for each such client the securities purchased and sold, and the date, amount and price of each such purchase and sale; and

(B) For each security in which any such client has a current position, information from which the investment adviser can promptly furnish the name of each such client, and the current amount or interest of such client.

(4) Any books or records required by this rule may be maintained by the investment adviser in such manner that the identity of any client to whom such investment adviser renders investment supervisory services is indicated by numerical or alphabetical code or some similar designation.

(5) All books and records required to be made under the provisions of section (1) to subsection (3)(A), inclusive, of this rule (except for books and records required to be made under the provisions of subsections (1)(K) and (1)(N) of this rule), shall be maintained and preserved in an easily accessible place for a period of not less than five (5) years from the end of the fiscal year during which the last entry was made on such record, the first two (2) years in an appropriate office of the investment adviser.

(A) Partnership articles and any amendments thereto, articles of incorporation, charters, minute books, and stock certificate books of the investment adviser and of any predecessor, shall be maintained in the principal office of the investment adviser and preserved until at least three (3) years after termination of the enterprise.

(B) Books and records required to be made under the provisions of subsections (1)(K) and (1)(N) of this rule shall be maintained and preserved in an easily accessible place for a period of not less than five (5) years, the first two (2) years in an appropriate office of the investment adviser, from the end of the fiscal year during which the investment adviser last published or otherwise disseminated, directly or indirectly, the notice, circular, advertisement, newspaper article, investment letter, bulletin or other communication.

(6) An investment adviser subject to section (1) of this rule, before ceasing to conduct or discontinuing business as an investment adviser shall arrange for and be responsible for the preservation of the books and records required to be maintained and preserved under this rule for the remainder of the period specified in this rule, and shall notify the commissioner in writing, of the exact address where such books and records will be maintained during such period.

(7) Micrographic and electronic storage permitted.

(A) General. The records required to be maintained and preserved pursuant to this part may be maintained and preserved for the required time by an investment adviser on:

1. Micrographic media, including microfilm, microfiche, or any similar medium; or

2. Electronic storage media, including any digital storage medium or system that meets the terms of this section.

(B) General requirements. The investment adviser must:

1. Arrange and index the records in a way that permits easy location, access, and retrieval of any particular record;

2. Provide promptly any of the following that the commissioner (by his examiners or other representatives) may request:

A. A legible, true, and complete copy of the record in the medium and format in which it is stored;

B. A legible, true, and complete printout of the record; and

C. Means to access, view, and print the records; and

D. Separately store, for the time required for preservation of the original record, a duplicate copy of the record on any medium allowed by this section.

(C) Special requirements for electronic storage media. In the case of records on electronic storage media, the investment adviser must establish and maintain procedures:

1. To maintain and preserve the records, so as to reasonably safeguard them from loss, alteration, or destruction;

2. To limit access to the records to properly authorized personnel and the commissioner (including its examiners and other representatives); and

3. To reasonably ensure that any reproduction of a non-electronic original record on electronic storage media is complete, true, and legible when retrieved.

(8) Any book or other record made, kept, maintained and preserved in compliance with section 240.17a-3 and 240.17a-4 under the Securities Exchange Act of 1934, which is substantially the same as the book or other record required to be made, kept, maintained and preserved under this section, shall be deemed to be made, kept, maintained and preserved in compliance with this section.

(A) A record made and kept pursuant to any provision of section (1) of this rule, which contains all the information required under any other provision of section (1) of this rule, need not be maintained in duplicate in order to meet the requirements of the other provision of section (1) of this rule.

(9) As used in this rule the term "discretionary power" shall not include discretion as to the price at which or the time when a transaction is or is to be effected, if, before the order is given by the investment adviser, the client has directed or approved the purchase or sale of a definite amount of the particular security.

*AUTHORITY: sections 409.4-411(c) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency rescission and rule filed Aug. 25, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rule covering this same material is published in this issue of the Missouri Register.*

## Title 15—ELECTED OFFICIALS

### Division 30—Secretary of State

#### Chapter 51—Broker-Dealers, Agents, Investment Advisers, and Investment Adviser Representatives

#### EMERGENCY AMENDMENT

**15 CSR 30-51.145 Compensation Arrangements Involving Investment Advisers.** The commissioner is amending sections (1) and (2).

*PURPOSE: The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division*

believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) Registered investment advisers may pay a cash fee to a solicitor who refers business to the investment adviser (but does not render any investment advice) as long as the solicitor is not subject to a disqualification as set out in section 409.1204(a)4-412(d), RSMo and the cash fee is paid pursuant to [a written agreement retained by both the investment adviser and the solicitor and provided to the client prior to or at the time of entering into any investment advisory contract. This written agreement shall conform to] the requirements set out in 17 CFR Section 275.206(4)-3.

(2) [Section 409.102(b)(1), RSMo prohibits performance-based compensation of investment advisers. The language in that section is virtually identical to section 205(1) of the Investment Advisers Act (17 CFR 205(1)). In 1985, in Release No. IA-996, the Securities and Exchange Commission provided a Conditional Exemption from the Compensation Prohibition of Section 205(1) for Registered Investment Advisers (Reg. Section 275.205-3), which set forth certain conditions under which investment advisers may receive performance-based compensation. The division will not pursue enforcement action against an investment adviser that receives performance-based compensation if all of the conditions set forth in the previously mentioned federal rule and the following conditions are met:] Registered investment advisers may receive performance-based fees (fees based upon a share of the capital gains upon, or the capital appreciation of, the funds, or any portion of the funds, of a client) provided that the fees are charged only to qualified clients, as defined in 17 CFR Section 275.205-3, and the fees are fully disclosed in the investment advisory contract.

(A) The investment adviser may have in no way solicited or advertised the performance-based compensation;

(B) The client must have requested the performance-based fee arrangement; and

(C) The advisory contract must set out the language contained in section 409.102(b)(1), RSMo (1986), must include a statement that both the client and the adviser are aware of that section and its prohibitions and must contain an agreement that, pursuant to section 409.411(f), RSMo, neither party retains any civil liability for having engaged in the payment or receipt of performance-based compensation.]

**AUTHORITY:** sections [409.203 and 409.413(a), RSMo 1986] 409.4-406(e) and 409.6-605, RSMo Supp. 2003. Original rule filed March 27, 1989, effective June 12, 1989. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

## Title 15—ELECTED OFFICIALS

### Division 30—Secretary of State

#### Chapter 51—Broker-Dealers, Agents, Investment Advisers, and Investment Adviser Representatives

#### EMERGENCY RESCISSION

**15 CSR 30-51.150 Records to be Preserved by Investment Advisers.** This rule prescribed the periods of time books and records of investment advisers must be preserved.

**PURPOSE:** The commissioner of securities is proposing to rescind this rule and adopt a new rule at 15 CSR 30-51.140 that prescribes the preservation of books and records of investment advisers and that complies with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency rescission on August 21, 2003. This emergency rescission was filed August 25, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** sections 409.203 and 409.413(a), RSMo 1986. Original rule filed June 25, 1968, effective Aug. 1, 1968. Amended: Filed May 21, 1969, effective Aug. 1, 1969. Amended: Filed July 21, 1972, effective Aug. 1, 1972. Amended: Filed Nov. 15, 1974, effective Nov. 25, 1974. Emergency rescission filed Aug. 25, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the *Missouri Register*.

## Title 15—ELECTED OFFICIALS

### Division 30—Secretary of State

#### Chapter 51—Broker-Dealers, Agents, Investment Advisers, and Investment Adviser Representatives

#### EMERGENCY AMENDMENT

#### 15 CSR 30-51.160 Effectiveness and Post-Effective Requirements.

The commissioner is amending sections (1)–(4).

**PURPOSE:** The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed September 9, 2003, effective September 19, 2003 and expires March 16, 2004.

(1) Pending Applications for Registration.

(A) Effective Date of Registration. If no denial order is in effect[, /] and no proceeding under section 409.[204/4-412, RSMo is pending, registration shall become effective no later than noon of the [thirtieth/ forty-fifth] day after the completed application is filed, unless the applicant has agreed to toll the forty-five (45)-day limitation. The forty-five (45)-day time period shall begin to run once a completed application, including any amendments thereto, is filed with the division. The running of this [thirty (30)] forty-five (45)-day period is [suspended] tolled during the time a denial order is in effect, [or] a proceeding under section 409.[204/4-412, RSMo is pending, or by agreement of the applicant. The running of the [thirty (30)] forty-five (45)-day period shall resume when the denial order is vacated, or the proceeding under section 409.[204/4-412, RSMo is no longer pending.

(B) Completeness of the Application. An application shall be considered complete when an application, [containing] including any amendments, has been filed with the division. A completed application shall contain comprehensive responses to all applicable questions and all attachments and exhibits, as required by the Act or these rules[, has been filed with the division].

(C) Summary Suspension for Applications.

1. Pursuant to section 409.4-412(f), RSMo, [T]he commissioner may summarily [postpone or] suspend an application [for the purpose of determining the completeness of an application or on other grounds as provided for in section 409.204(c).] if:

A. The commissioner, through the Securities Division staff, is seeking additional information regarding and/or relating to the application;

B. A proceeding is pending under section 409.4-412(a), (b), or (c), RSMo; or

C. The applicant is subject to discipline or disqualification under the provisions of section 409.4-412(d), RSMo.

2. A summary suspension order issued pursuant to subparagraph (1)(C)1.A. shall remain pending for thirty (30) days after all requested information has been provided and during this time the person subject to the summary suspension order may request a hearing.

[(C)] (D) Orders of Cancellation for Incomplete Applications. Any application, the filing of which is not complete within a period of one (1) year following the application's original filing, shall be presumed subject to the entry of an order of cancellation pursuant to section 409.[204(d)]4-408(e), RSMo of the Act.

(2) Duration of Registration.

(A) Expiration of Registration. Every registration of a broker-dealer, agent, investment adviser, or investment adviser representative expires on December 31 of each year, unless renewed or unless sooner revoked, canceled, or withdrawn (section/s 409.[201(d) and 409.204] 409.4-406(d), RSMo).

(B) [Late Renewal Filings] Failure to Renew. Upon expiration of a registration, any subsequent application for registration shall be considered and treated as an application for initial registration.

(3) Continuing Duty of Applicants and Registrants to Disclose Material Information.

(B) Termination of an Agent or Investment Adviser Representative.

1. Duty of broker-dealer, issuer or investment adviser. When an agent's or representative's association with the broker-dealer, issuer or investment adviser is discontinued or terminated by either party, the broker-dealer, issuer or investment adviser must file a Form U-5 within thirty (30) days of the discontinuance or termination, [a notice of that fact,] stating the date of and reasons for the discontinuance or termination [(Form U-5 or by letter)].

2. Duty of agent or investment adviser representative. When an agent's or representative's association with a broker-dealer or investment adviser registered in Missouri is discontinued or terminated by

either party, the agent or investment adviser representative must file, within thirty (30) days of the discontinuance or termination, amended documents reflecting association with another broker-dealer or investment adviser.

3. [Temporary registration for transferring agents. An agent registered in Missouri transferring from one Missouri registered broker-dealer to another Missouri registered broker-dealer shall automatically have a temporary registration to transact securities business for thirty (30) days following the date the application becomes complete and nondeficient, unless the commissioner has withdrawn the temporary registration or issued an order of denial or summary postponement pursuant to section 409.204, RSMo. The temporary registration must be requested on the Form U-4 prior to any securities transactions by the agent through the new broker-dealer and within thirty (30) days following the termination from the previous firm. No such temporary registration will be granted upon termination from an issuer.] Transferring agents and transferring investment adviser representatives.

A. For agents and/or investment adviser representatives registered under this Act who terminate from one Missouri registered broker-dealer, investment adviser, or federal covered investment adviser and transfer to another Missouri registered broker-dealer, investment adviser, or federal covered investment adviser that file a completed application with the division within thirty (30) days after their termination and whose CRD record does not contain any new or amended disciplinary disclosure(s) within the previous twelve (12) months, their registration shall become immediately effective as of the date of the completed filing, unless an order is issued pursuant to section 409.4-408(d), RSMo.

B. For agents and/or investment adviser representatives registered under this Act who terminate from one Missouri registered broker-dealer, investment adviser, or federal covered investment adviser and transfer to another Missouri registered broker-dealer, investment adviser, or federal covered investment adviser that file a completed application with the division within thirty (30) days after their termination and whose CRD record contains a new or amended disciplinary disclosure within the previous twelve (12) months, their registration shall become temporarily effective for thirty (30) days as of the date of the completed filing, unless an order is issued pursuant to section 409.4-408(d), RSMo. The temporary registration becomes automatically effective on the thirty-first day after the completed filing unless an order is issued pursuant to section 409.4-408(c), RSMo.

(D) Written Disclosure Statement.

1. An investment adviser, registered or required to be registered pursuant to the Missouri Securities Act, shall furnish each advisory client and prospective advisory client with a written disclosure statement that may be either a copy of Part II of its Form ADV, or a written document containing at least the information required by Part II of Form ADV.

2. An investment adviser shall deliver the written disclosure statement to an advisory client or prospective advisory client not less than forty-eight (48) hours prior to entering into any written or oral investment advisory contract with such client or prospective client, or at the time of entering into any such contract, if the advisory client has a right to terminate the contract without penalty within five (5) business days after entering into the contract.

3. An investment adviser annually shall, without charge, deliver or offer in writing to deliver to each of its advisory clients the written disclosure statement.

(4) Withdrawal of Registration.

(A) Broker-Dealers, Investment Advisers and Federal Covered Investment Advisers.

1. Every broker-dealer and investment adviser who desires to withdraw their registration shall file the appropriate Form BDW or ADV-W. Every federal covered adviser who desires to withdraw their notice filing shall file the appropriate ADV-W.

2. Unless a revocation or suspension is pending when the application to withdraw is filed, the withdrawal of registration by a broker-dealer or investment adviser shall become effective on the date indicated in the Form BDW or Form ADV-W, but in no event more than sixty (60) days after the filing of the Form BDW or Form ADV-W.

**(B) Broker-Dealer Agents and Investment Adviser Representatives.**

1. Unless a revocation or suspension is pending when the application to withdraw is filed, the withdrawal of registration by an agent or investment adviser representative, pursuant to section 409.4-409, RSMo shall become effective at the earlier of the date a Form U-5 is filed, the date indicated in the Form U-5 or the date of withdrawal of the agent's or investment adviser representative's respective broker-dealer or investment adviser.

*AUTHORITY: sections [409.201(b) and (d), 409.202 and 409.413(a), RSMo 2000 and 409.204, RSMo Supp. 2002/ 409.4-406, 409.4-408, 409.4-409, 409.4-411(b) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Sept. 9, 2003, effective Sept. 19, 2003, expires March 16, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS**

**Division 30—Secretary of State**

**Chapter 51—Broker-Dealers, Agents, Investment Advisers, and Investment Adviser Representatives**

**EMERGENCY RULE**

**15 CSR 30-51.165 Networking Arrangements between Broker-Dealers and Banks, Trust Companies or Savings Institutions**

*PURPOSE: This rule prescribes the activities in which a bank, a trust company organized or chartered under the laws of Missouri, or savings institution may engage in under a networking arrangement and be excepted from the definition of broker-dealer under the Missouri Securities Act of 2003.*

*EMERGENCY STATEMENT: This emergency rule prescribes the exception from broker-dealer under the Missouri Securities Act of 2003 that became effective September 1, 2003. This emergency rule is necessary to protect the health, safety and welfare by prescribing the procedures for the exception under the Missouri Securities Act of 2003 upon the Act's effectiveness. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rule, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency rule is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency rule on August 21, 2003. This emergency rule was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) Definition. For purposes of this rule, the reference to the term "banking institution" shall mean a bank, trust company organized or chartered under the laws of Missouri, or a savings institution.

(2) Exception from the Definition of Broker-Dealer. A banking institution shall be excepted from the definition of broker-dealer under section 409.1-102(4), RSMo if such banking institution enters into a contractual or other written arrangement with a broker-dealer registered under the Missouri Securities Act of 2003 whereupon the broker-dealer offers brokerage services on or off the premises of the banking institution and—

(A) Such broker-dealer is clearly identified as the person performing the brokerage services;

(B) The broker-dealer performs brokerage services in an area that is clearly marked and, to the extent practicable, physically separate from the routine deposit-taking activities of the banking institution;

(C) Any materials used by the banking institution to advertise or promote generally the availability of brokerage services under the arrangement clearly indicate that the brokerage services are being provided by the broker-dealer and not by the banking institution;

(D) Any materials used by the banking institution to advertise or promote generally the availability of brokerage services under the arrangement are in compliance with Missouri and federal securities laws before distribution;

(E) Employees of the banking institution (other than agents of a broker-dealer who are registered under the Missouri Securities Act of 2003 and qualified pursuant to the rules of a self-regulatory organization) perform only clerical or ministerial functions in connection with brokerage transactions including scheduling appointments with the agents of a broker-dealer, except that employees of a banking institution may forward customer funds or securities and may describe in general terms the types of investment vehicles available from the banking institution and the broker-dealer under the arrangement;

(F) Employees of the banking institution do not receive incentive compensation for any brokerage transaction unless such employees are agents of a broker-dealer, are registered under the Missouri Securities Act of 2003 and are qualified pursuant to the rules of a self-regulatory organization, except that the employees of the banking institution may receive compensation for the referral of any customer if the compensation is a nominal one-time cash fee of a fixed dollar amount and the payment of the fee is not contingent on whether the referral results in a transaction;

(G) Such services are provided by the broker-dealer on a basis in which all customers that receive any services are fully disclosed to the broker-dealer;

(H) The banking institution does not carry a securities account of the customer except as permitted under sections 3(a)(4)(B)(ii) (trust activities) or 3(a)(4)(B)(viii) (safekeeping and custody activities) of the Securities Exchange Act of 1934; and

(I) The banking institution or broker-dealer informs each customer that the brokerage services are provided by the broker-dealer and not by the banking institution and that the securities are not deposits or other obligations of the banking institution, are not guaranteed by the banking institution, and are not insured by the Federal Deposit Insurance Corporation.

*AUTHORITY: sections 409.1-102(4) and 409.6-605, RSMo Supp. 2003. Emergency rule filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rule covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS**

**Division 30—Secretary of State**

**Chapter 51—Broker-Dealers, Agents, Investment Advisers, and Investment Adviser Representatives**

**EMERGENCY AMENDMENT**

**15 CSR 30-51.169 Fraudulent Practices of Broker-Dealers and Agents.** The commissioner is amending section (1).

*PURPOSE: The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) A broker-dealer or agent who engaged in one (1) or more of the following practices shall be deemed to have engaged in an "act, practice or course of business which operates or would operate as a fraud" as used in [S/section 101] **409.5-501** of the **Missouri Securities Act of 2003 (the Act)**. This rule is not intended to be all inclusive and acts or practices not enumerated in this rule may also be deemed fraudulent:

(F) Although nothing in this rule precludes application of the general anti-fraud provisions against anyone for practices similar in nature to the practices discussed as follows, the following paragraphs specifically apply only in connection with solicited offers or sales of designated securities in transactions not exempted in the following:

1. Failing to disclose at the time of solicitation, in either a principal or agency transaction, the price at which the broker-dealer is currently selling or offering to sell the designated security and the price at which the broker-dealer is currently buying or offering to buy the designated security, and failing to disclose those prices, which were in effect at the time of execution, on the trade confirmation of the transaction;
2. Failing to disclose, at the time of solicitation and on the trade confirmation, all compensation to be paid to the agent as a result of the transaction;
3. In connection with a principal transaction by a market maker, failing to disclose, both at the time of solicitation and on the confirmation, a short inventory position in the firm's account of more than five percent (5%) of the issued and outstanding shares of that class of securities of the issuer;
4. Conducting sales contests solely with respect to a particular security;
5. Failing or refusing to promptly execute sell orders on behalf of a customer;
6. Soliciting a secondary market transaction when there has not been a bona fide distribution in the primary market;
7. Engaging in a pattern of enhancing the compensation of an agent with respect to sales and purchases in the same security;
8. In connection with the solicitation of a sale of an equity security, or a security containing an equity component, in which the difference between the bid and ask price is twenty-five percent (25%) or more of the ask price, to fail to—

A. Disclose to the customer the bid and ask price of the designated security as well as its spread in both percentage and dollar amounts at the time of solicitation; and

B. Include with the confirmation, in a form satisfactory to the commissioner, written explanation of the bid and ask price;

9. For the purposes of subsection (1)(F), the following shall be exempt transactions:

A. Transactions in which the price of the designated security is five dollars (\$5) or more, provided, however, that if the designated security is a unit composed of one (1) or more securities, the unit price divided by the number of components of the unit other than warrants, options, rights or similar securities must be five dollars (\$5) or more, and any component of the unit that is a warrant, option, right or similar security or a convertible security must have an exercise price or conversion price of five dollars (\$5) or more;

B. Transactions that are not recommended by the broker-dealer;

C. Transactions by a broker-dealer—

(I) Whose commissions, commission equivalents and mark-ups from transactions in designated securities during each of the immediately preceding three (3) months, and during eleven (11) or more of the preceding twelve (12) months, did not exceed five percent (5%) of its total commissions, commission-equivalents and mark-ups from transactions in securities during those months; and

(II) Who has not been a market maker in the designated security that is the subject of the transaction in the immediately preceding twelve (12) months; and

D. Any transaction(s) that, upon prior written request or upon its own motion, the commissioner conditionally or unconditionally exempts as not encompassed within the purposes of subsection (1)(F); and

10. For the purposes of subsection (1)(F)—

A. The term designated security shall mean any equity security other than a security—

(I) Registered, or approved for registration upon notice of issuance, on a national securities exchange recognized under [409.402(a)(8)] **409.2-201(6)**, RSMo;

(II) Exempted as a foreign issuer pursuant to 15 CSR 30-54.260;

(III) Authorized, or approved for authorization upon notice of issuance, for quotation in the National Market System of the National Association of Securities Dealers Automated Quotation System;

(IV) Issued by an investment company registered under the Investment Company Act of 1940;

(V) That is a put option or call option issued by The Options Clearing Corporation; or

(VI) Whose issuer has net tangible assets in excess of four (4) million dollars, as demonstrated by financial statements dated less than fifteen (15) months previously that the broker-dealer has reviewed and has a reasonable basis to believe on the date of the transaction with the person, there have been no adverse changes to the issuer's most current financial statement and—

(a) In the event the issuer is other than a foreign private issuer, the most recent financial statements for the issuer have been audited and reported on by an independent public accountant in accordance with the provisions of 17 CFR 210.2.02; or

(b) In the event the issuer is a foreign private issuer, are the most recent financial statements for the issuer that have been filed with the commissioner, furnished to the commissioner pursuant to 17 CFR 240.12g3-2(b) or prepared in accordance with generally accepted accounting principles in the country of incorporation, audited in compliance with the requirements of that jurisdiction and reported on by an accountant duly registered and in good standing in accordance with the regulations of that jurisdiction;

*AUTHORITY: sections [409.203 and 409.413(a), RSMo 1986] 409.2-201, 409.4-412, 409.5-501 and 409.6-605, RSMo Supp. 2003. Original rule filed March 27, 1989, effective June 12, 1989. Amended: Filed June 29, 1990, effective Dec. 31, 1990. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 51—Broker-Dealers, Agents, Investment**  
**Advisers, and Investment Adviser Representatives**

**EMERGENCY AMENDMENT**

**15 CSR 30-51.170 Denial, Revocation and Suspension of Registration.** The commissioner is amending section (1).

*PURPOSE: The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) Grounds for the denial, revocation and suspension of registration shall include, in addition to other grounds specified in section 409.204(a)4-412(d) of the Act, the following “dishonest or unethical practices in the securities business”:

(DD) Failing to comply with any applicable provision of the Conduct Rules [of Fair Practice] of the National Association of Securities Dealers, or any applicable fair practice or ethical standard promulgated by the Securities and Exchange Commission or by a self-regulatory organization approved by the Securities and Exchange Commission; [and]

(EE) Engaging in any acts or practices enumerated in 15 CSR 30-51.169[.]; and

(FF) For an investment adviser, paying solicitor fees if such fees are not paid in accordance with 15 CSR 30-51.145(1), charging performance-based fees that are not in accordance with 15 CSR 30-51.145(2), or having custody or possession of a client’s funds and/or securities if such custody or possession is not maintained in accordance with 15 CSR 30-51.100.

*AUTHORITY: sections [409.204 and 409.413(a), RSMo 1986] 409.4-412 and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 51—Broker-Dealers, Agents, Investment**  
**Advisers, and Investment Adviser Representatives**

**EMERGENCY AMENDMENT**

**15 CSR 30-51.180 [Exclusions from Definition of] Exemptions from Registration for Broker-Dealers, Agents, Investment Advisers, and Investment Adviser Representatives.** The commissioner is amending the title, Purpose and section (1), deleting section (2) and adding new sections (2)–(4).

*PURPOSE: The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 27, 2003, effective September 12, 2003 and expires March 9, 2004.*

*PURPOSE: This rule prescribes [the persons that are excluded from the definition of] exemptions from registration for broker-dealers, agents, investment advisers, and investment adviser representatives.*

(1) [Broker-Dealer] Canadian Limited Registration Exemption.

(A) [Canadian—United States Cross-Border trading Exclusion] Broker-Dealer Exemption. A [person who is a resident of] broker-dealer that is registered in Canada and who has no office or other physical presence in this state is [excluded] exempted from [the definition of] broker-dealer [contained in] registration pursuant to section 409.4-401[(c)](d), RSMo, provided it complies with the following conditions:

1. Registered with or is a member of a self-regulatory organization in Canada, stock exchange in Canada or the *Bureau des services financiers*;

2. Maintains in good standing its provincial or territorial registration and its registration with or membership in a self-regulatory organization in Canada, stock exchange in Canada or the *Bureau des services financiers*; and

3. Effects or attempts to effect transactions in securities:

A. With or for a person from Canada who is temporarily [a resident in or visiting] present in this state, with whom the Canadian broker-dealer had a bona fide broker-dealer-client relationship before the person entered [this state] the United States; or

B. With or for a person from Canada who is present in this state, whose transactions are in Canadian self-directed tax advantaged retirement account of which the person is the holder or contributor.]; or

C. As otherwise permitted by the securities laws of this state.]

(B) Agent Exemption. An agent who represents a Canadian broker-dealer that is exempt under this rule is exempt from agent registration under section 409.4-402, RSMo.

[(2) Agent.



(A) *Sellers of Agricultural Cooperatives.* An individual who represents an issuer for the purpose of effecting transactions in a security exempted by clause (5) of section 409.402(a), RSMo, and seeks an exception from the definition of agent shall submit the following:

1. Form SE-2, Application for Exception from Definition as Agent for Sellers of Agricultural Cooperatives Securities;
2. Filing of copies of all sales and solicitation material to be used by the applicant; and
3. Filing of copies of any agreements between the issuer and the applicant regarding commissions or other remuneration to be received for effecting transactions in the previously mentioned securities.]

**(2) Exemption from Investment Adviser Registration for Broker-Dealers with Investment Adviser Capacity.**

(A) A broker-dealer registered under section 409.4-401, RSMo that transacts business in this state as an investment adviser is exempt from registering as an investment adviser under section 409.4-403, RSMo provided that the broker-dealer complies with the following conditions:

1. The broker-dealer must control and supervise all investment advisory activities of the investment adviser representatives; and
2. The broker-dealer must comply with the notice filing requirement set forth in 15 CSR 30-51.020(1)(C).

**(3) Exemption from Investment Adviser Representative Registration for Broker-Dealer Agents.** A broker-dealer agent registered under section 409.4-402, RSMo that transacts business in this state as an investment adviser representative is exempt from registering as an investment adviser representative under section 409.4-404, RSMo provided that the investment adviser representative is under the control and supervision of the registered broker-dealer.

**(4) Exemption from Investment Adviser Representative Registration for Solicitors.** A person who is paid a solicitor fee pursuant to 15 CSR 30-51.145(1) is exempt from registering as an investment adviser representative.

*AUTHORITY:* sections [409.401(b) and (c)(5), RSMo Supp. 2001, and 409.413(a), RSMo 2000] 409.4-401(d), 409.4-402(b)(9), 409.4-403(b)(3), 409.4-404(b)(2) and 409.6-605, RSMo Supp. 2003. Original rule filed Dec. 28, 2001, effective July 30, 2002. Emergency amendment filed Aug. 27, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 52—Registration of Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-52.010 General Provisions.** The commissioner is amending sections (1) and (2).

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety

and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) Securities may be registered by coordination[,/] or qualification [or notification].

(2) The reference to a registration statement being on file for [fifteen (15)] twenty (20) days with the commissioner under section 409.3-303(c), RSMo shall mean [fifteen (15)] twenty (20) business days. The term “business days” would exclude weekends and holidays.

*AUTHORITY:* sections [409.302, 409.303, 409.304, 409.413(a), RSMo 2000] 409.3-303, 409.3-304 and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.

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**EMERGENCY AMENDMENT**

**15 CSR 30-52.015 Applications for Registration.** The commissioner is amending sections (1)–(4).

*PURPOSE:* The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) Registration by Coordination and Qualification. A registration statement to register securities by coordination or qualification shall contain the following:

(A) The form U-1 and accompanying documents (**including subscription agreement**);

[(2)] *Registration by Notification. A registration statement to register securities by notification shall contain the following:*

(A) *The form SR-1 and accompanying documents;*

(B) *Two (2) copies of the prospectus, including financial statements;*

(C) *All exhibits filed with the Securities and Exchange Commission in connection with the registration statement, if applicable;*

(D) *The filing fee and registration fee specified in 15 CSR 30-50.030; and*

(E) *Any additional information or documents requested by the Securities Division.]*

[(3)](2) Warrants and the securities underlying the warrants shall each be registered separately.

[(4)](3) All applicants for registration shall immediately notify the Securities Division in writing of the following events:

(A) Any change to the information in the registration statement;

(B) Any stop order, denial, order to show cause, suspension order, revocation order, consent order, cease and desist order, injunction, restraining order, or similar order entered or issued by any state, regulatory authority or court, regarding the applicant, issuer, their subsidiaries or affiliates; and

(C) Any request by the applicant or issuer to any other state or regulatory authority for permission to withdraw any application to register the securities covered by the registration statement.

*AUTHORITY: sections [409.302(b), 409.303(b) and (c), 409.304(b), 409.305, 409.306 and 409.413(a) and (c), RSMo 2000] 409.3-303, 409.3-304, 409.3-305, 409.3-307, 409.6-605 and 409.6-611, RSMo Supp. 2003. Original rule filed Aug. 30, 2002, effective Feb. 28, 2003. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

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**EMERGENCY AMENDMENT**

**15 CSR 30-52.020 Prospectus.** The commissioner is amending sections (2) and (3).

*PURPOSE: The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003. Also, a new registration form, SR-1, is available.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to*

*all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 25, 2003, effective September 12, 2003 and expires March 9, 2004.*

(2) Form and Content. The prospectus shall be prepared using the following forms and shall contain the information specified in the forms, together with any additional information the Securities Division may require—

(A) Registration by Coordination. The prospectus for a securities registration by coordination under section 409.3-303, RSMo shall be prepared using the forms required under the Securities Act of 1933.

(B) Registration by Qualification.

1. Other than small company offering registrations, the prospectus for a securities registration by qualification under section 409.3-304, RSMo shall be prepared using the following forms:

*[A. Part II of form 1-A of regulation A of the Securities Act of 1933 as in effect in March 1999 (see 15 CSR 30-52.025 for financial statement requirements); or*

*B. Parts I and II of form SB-2 of the Securities Act of 1933, as in effect in June 2000 (see 15 CSR 30-52.025 for financial statement requirements).]*

**A. Missouri form SR-1, Form of Prospectus for Registration of Securities by Qualification (available from the Securities Division upon request); or**

**B. Any applicable form under the Securities Act of 1933 that substantially comports with the requirements of form SR-1.**

2. For small company offering registrations pursuant to 15 CSR 30-52.275, the prospectus to be used shall be form U-7, as adopted and revised by North American Securities Administrators Association, Inc. (NASAA) in September 1999.

*[3. Any other applicable form may be used to prepare a prospectus under the Securities Act of 1933, if approved by the Securities Division.]*

(3) Delivery of Prospectus. As a condition of registration, an applicant shall comply with the following:

(A) A person offering or selling a security under a registration by qualification, other than through a broker-dealer, shall deliver a copy of the final prospectus to each prospective purchaser *[no later than the date of execution of the subscription agreement] before the confirmation of a sale made by or for the account of the person*. Each subscription agreement shall contain a statement by the purchaser that the purchaser has received a copy of the prospectus; and

*AUTHORITY: sections [409.101, 409.303(b) and (c), 409.304(b) and (d), 409.305, 409.306 and 409.413, RSMo 2000] 409.3-303, 409.3-304, 409.3-305, 409.3-307, 409.5-501 and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 25, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

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**EMERGENCY AMENDMENT**

**15 CSR 30-52.025 Financial Statements.** The commissioner is amending sections (1) and (3)–(6).

*PURPOSE: The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003. Also, the amendment describes more clearly the requirements of financial statements.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) All historical financial statements in the registration statement shall be in conformity with generally accepted accounting principles (GAAP).

(3) Registration by Qualification [and Notification]. The financial statements filed with a registration statement by qualification [or notification] shall consist of the following:

(B) Audited Financial Statements. Audited financial statements that include a balance sheet (fiscal year end) and statements of income, cash flows, and changes in stockholders' equity for the last fiscal year (or such shorter period as the issuer has been in business);

(C) Reviewed Financial Statements. Reviewed financial statements for the two (2) fiscal years preceding the last fiscal year, unless audited financial statements are available for those periods. The reviewed financial statements shall include a balance sheet (fiscal year end) and statements of income, cash flow and changes in stockholders' equity; [and]

(D) Reviewed Interim Financial Statements. Reviewed interim financial statements between the close of the last fiscal year and the date of the balance sheet. The interim financial statements shall include statements of income, cash flow and changes in stockholders' equity./;

(E) Notes. All financial statements shall include applicable notes to the financial statements to explain accounting policies and provide other disclosures required by GAAP; and

(F) Reports. An auditor's report shall be included with the financial statements. Audited financial statements shall include an unqualified opinion that indicates the financial statements are presented fairly, in all material respects, in conformity with GAAP. A reviewed report shall not be modified for a departure from GAAP.

(4) The financial statements and report described in section (3) above shall be included in the prospectus under a registration by qualification.

[(4)](5) Prospective financial statements may be used in connection with a registered offering if all of the following conditions exist:

(A) The prospective financial statements shall be financial forecasts that conform with guidelines established by the American Institute of Certified Public Accountants; and

(B) The financial forecasts shall be included in the prospectus.

[(5)](6) Pro forma financial information may be used in connection with a registered offering and not be subject to the conditions of subsection [(4)](5)(A) above if such pro forma financial information complies with 17 CFR 210.11-02.

*AUTHORITY: sections [409.302(a) and (b), 409.303(b) and (d), 409.304(b), 409.305 and 409.413(c), RSMo 2000] 409.3-303, 409.3-304 and 409.6-605, RSMo Supp. 2003. Original rule filed Aug. 30, 2002, effective Feb. 28, 2003. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

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**EMERGENCY AMENDMENT**

**15 CSR 30-52.030 NASAA Statements of Policy.** The commissioner is amending section (1).

*PURPOSE: The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003. Also, this amendment adopts by reference the NASAA Statement of Policy Guidelines Regarding Viatical Investments.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency amendment on August 21, 2003. This emergency amendment was filed August 25, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) The Securities Division will apply the applicable statement of policy adopted by North American Securities Administrators Association, Inc. (NASAA) when conducting a merit review to determine whether an offering is fair, just and equitable.

(A) The following statements of policy are hereby [adopted/ incorporated] by reference:

1. Corporate Securities Definitions, as amended by NASAA on September 28, 1999;

2. Loans and Other Material Affiliated Transactions, as amended by NASAA on November 18, 1997;

3. Options and Warrants, as amended by NASAA on September 28, 1999;

4. Preferred Stock, as amended by NASAA on April 27, 1997;

5. Promoter's Equity Investment, as adopted by NASAA on April 27, 1997;

6. Promotional Shares, as amended by NASAA on September 28, 1999;

7. Risk Disclosure Guidelines, as adopted by NASAA on September 9, 2001;

8. Specificity in Use of Proceeds, as amended by NASAA on September 28, 1999;

9. Underwriting Expenses, Underwriter's Warrants, Selling Expenses and Selling Security Holders, as adopted by NASAA on September 28, 1999;

10. Unsound Financial Condition, as adopted by NASAA on September 28, 1999;

11. Unequal Voting Rights, as adopted by NASAA on October 24, 1991;

12. Registration of Asset-Backed Securities, as adopted by NASAA on October 25, 1995;

13. Mortgage Program Guidelines, as adopted by NASAA on September 10, 1996;

14. Real Estate Programs, as amended by NASAA on September 29, 1993;

15. Real Estate Investment Trusts, as revised by NASAA on September 29, 1993;

16. Registration of Oil and Gas Programs, as amended by NASAA on October 24, 1991;

17. Equipment Programs, as amended by NASAA on October 24, 1991;

18. Commodity Pool Programs, as amended by NASAA on August 30, 1990;

19. Cattle-Feeding Programs, as adopted by NASAA on September 17, 1980; *[and]*

20. Omnibus Guidelines, as adopted by NASAA on March 29, 1992; *[.]*; and

21. Guidelines Regarding Viatical Investments as adopted by NASAA on October 1, 2002.

*AUTHORITY: sections [409.304, 409.305, 409.306 and 409.413(a), RSMo 2000] 409.3-303, 409.3-304, 409.3-305, 409.3-306, 409.3-307, 409.5-501, 409.6-605 and 409.6-608, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 25, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

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**EMERGENCY AMENDMENT**

**15 CSR 30-52.100 Impoundment of Proceeds.** The commissioner is amending sections (1) and (5).

*PURPOSE: The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to*

*all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) The Securities Division hereby *[adopts]* **incorporates** by reference the North American Securities Administrators Association, Inc. (NASAA) Statement of Policy Regarding the Impoundment of Proceeds, as amended by NASAA on September 28, 1999.

(5) The applicant shall use the Missouri form SR-4, Impoundment of Funds Agreement, as the agreement for the impoundment of proceeds, unless the Securities Division permits another similar form to be used (**the form SR-4 is available from the Securities Division upon request**).

*AUTHORITY: sections [409.305(f), 409.306 and 409.413(a), RSMo 2000] 409.3-305(f), 409.3-306 and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

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**EMERGENCY AMENDMENT**

**15 CSR 30-52.120 Debt Securities.** The commissioner is amending section (2).

*PURPOSE: The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.*

(2) The Securities Division hereby *[adopts]* **incorporates** by reference the NASAA Statement of Policy Regarding Debt Securities, as adopted by NASAA on April 25, 1993.

*AUTHORITY: sections [409.306 and 409.413(a) RSMo 2000] 409.3-306 and 409.6-605, RSMo Supp. 2003. Original rule filed May 21, 1969, effective Aug. 1, 1969. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

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**EMERGENCY AMENDMENT**

**15 CSR 30-52.200 Offer of Refund Prior to Registration.** The commissioner is amending provisions of this rule.

*PURPOSE:* The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

An offer of refund (rescission), pursuant to section 409.5-510, RSMo, to each person having a cause of action against the applicant or the issuer, within the meaning of section [409.411 of the Act] 409.5-509, RSMo, shall be a prerequisite to the registration of securities. A suggested form of offer of refund (rescission) is located at 15 CSR 30-52.260.

*AUTHORITY:* sections [409.306, 409.411 and 409.413(a), RSMo 2000] 409.3-306, 409.5-509, 409.5-510 and 409.6-605, RSMo Supp. 2003. Original rule filed July 21, 1972, effective Aug. 1, 1972. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.

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**EMERGENCY AMENDMENT**

**15 CSR 30-52.260 Suggested Form of Offer of Refund (Rescission).** The commissioner is amending sections (1) and (2).

*PURPOSE:* The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety

and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) The sample rescission letter contained in this regulation is based upon a violation of section 409.3-301, RSMo but may be adapted for any other violations of the Missouri Securities Act of 2003.

(2) The Securities Division suggests the following letter be used to offer rescission:

Certified/Return Receipt Requested

Dear Investor:

This letter is to inform you of your rights under the Missouri [Uniform] Securities Act of 2003, Chapter 409, RSMo [2000] (the "Act"). The (describe securities) that you were sold constitute "securities" under the Act.

Section 409.3-301, RSMo [2000], requires that any security offered or sold in Missouri must be registered, exempt from registration or a federal covered security. The securities that you purchased were not registered, exempt or federal covered securities. (Include herein any other statutory violation, along with an explanation of the violation).

Section 409.[411]/5-509, RSMo [2000], provides that any person who sells a security in violation of section [409.101 to 409.419] 409.3-301, RSMo is liable to the purchaser for the amount of the consideration paid for the security, together with interest of eight percent (8%) per year from the date of purchase, costs and reasonable attorney fees, less the amount of any income received on the security.

This letter is to inform you of these rights and to offer to rescind your securities purchase. Attached is a statement as to whether or not you wish to take advantage of this offer. Please fill out the attached form and return it to this office within thirty (30) days of your receipt of this notice. If you wish to take advantage of the rescission, the amount you originally invested plus eight percent (8%) interest, less any income you received, will be returned to you within ten (10) business days of the receipt of your rescission request. If you do not respond to this offer within thirty (30) days of the date you receive it, your right to rescind your purchase will be extinguished as provided in the Act.

(Name of Issuer)

(Signature)

(Printed Name of Signatory)

I have been informed of my right to rescission under the Missouri [Uniform] Securities Act of 2003 by (name of firm offering rescission). I do/do not (circle one) wish to take advantage of this rescission offer.

(Investor's Signature)

*AUTHORITY:* sections [409.411 and 409.413(a), RSMo 2000] 409.5-509, 409.5-510 and 409.6-605, RSMo Supp. 2003. Original

rule filed July 21, 1972, effective Aug. 1, 1972. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

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**EMERGENCY AMENDMENT**

**15 CSR 30-52.275 Small Company Offering Registrations (formerly Missouri Issuer Registration).** The commissioner is amending sections (1) and (2).

*PURPOSE:* The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) The Securities Division hereby [adopts] incorporates by reference the North American Securities Administrators Association (NASAA) Statement of Policy Regarding Small Company Offering Registrations (SCOR), as adopted by NASAA on April 28, 1996.

(2) A registration statement to register securities under SCOR shall contain the following:

(A) The form U-1 and accompanying documents (**including subscription agreement**);

(C) Copies of any documents filed with the U.S. Securities and Exchange Commission in connection with the registration statement;

*AUTHORITY:* sections [409.304, 409.305, 409.306 and 409.413, RSMo 2000] 409.3-304, 409.3-305, 409.3-306, 409.3-307 and 409.6-605, RSMo Supp. 2003. Original rule filed Nov. 1, 1996, effective June 30, 1997. Rescinded and readopted: Filed Aug. 30, 2002, effective Feb. 28, 2003. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

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**EMERGENCY AMENDMENT**

**15 CSR 30-52.280 Withdrawal of a Registration Statement.** The commissioner is amending the Authority section.

*PURPOSE:* The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

*AUTHORITY:* sections [409.305(h) and 409.413(a), RSMo 2000] 409.3-305(h) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 52—Registration of Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-52.300 Post-Effective Amendments and Notices to a Registration Statement.** The commissioner is amending section (2).

*PURPOSE:* The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(2) For registrations by coordination, the registrant shall promptly forward to the commissioner all amendments and supplements to the

registration statement within one (1) business day after these documents are filed with the U.S. Securities and Exchange Commission.

*AUTHORITY:* sections [409.303(b)(3) and (4), 409.304, 409.305, 409.306 and 409.413(a), RSMo 2000] 409.3-303(b)(3) and (4), 409.3-304, 409.3-305, 409.3-306 and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 52—Registration of Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-52.310 Report of Completion of a Registration Statement.** The commissioner is amending section (2).

*PURPOSE:* The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003. Also, the amendment extends the number of days in which the report of completion needs to be filed with the division and allows for an agent of the issuer to sign the report.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(2) The written statement needs to be signed by an officer, [or] director or agent of the issuer or by an authorized signatory of the registrant.

*AUTHORITY:* sections [409.305(i) and 409.413(a), RSMo 2000] 409.3-305(i) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 52—Registration of Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-52.320 Annual Report for the Renewal of a Registration Statement.** The commissioner is amending section (1).

*PURPOSE:* The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) [During the effective period of a registration statement] To renew a registration statement for an additional year, the registrant shall [annually] file with the Securities Division a completed form SR-2 [at least] within thirty (30) days before the anniversary of the effective date of the registration statement in Missouri.

*AUTHORITY:* sections [409.305(b),(h) and (i) and 409.413(a), RSMo 2000] 409.3-305(b), (h) and (i), and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 52—Registration of Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-52.330 Records to be Preserved by Issuers.** The commissioner is amending the Authority section.

*PURPOSE:* The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division

believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** sections [409.305(g) and 409.413(a), RSMo 2000] 409.3-305(g) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 52—Registration of Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-52.340 Mortgage Revenue Bonds.** The commissioner is amending sections (1)–(3).

**PURPOSE:** The purpose of this amendment is to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) Mortgage revenue bonds issued pursuant to authority contained in sections 108.450–108.470, RSMo must be registered by qualification.

(A) The information listed for registration statements by qualification under section 409.3-304(b), RSMo is required, modified or omitted as follows for the purpose of registering mortgage revenue bonds authorized by sections 108.450–108.470, RSMo. (Note: The numbers without brackets listed in this rule correspond to the bracketed numbers in section 409.3-304(b), RSMo./.)

1. The issuer's name, address and form and date of organization (Other items from this subsection should be omitted./.);

2. With respect to every elected official performing legislative functions for the issuer, the chief executive officer of the issuer and the chief appointed fiscal officer of the issuer; his/her name, address and position; a description of any material interest held by any such person in any material transaction with the issuer or any of its agencies effected within the past three (3) years or proposed to be effected (Other items from this subsection should be omitted./.);

3. (Information from this subsection should be omitted./.);

4. (Information from this subsection should be omitted./.);

5. (Information from this subsection should be omitted./.);

6. (Information from this subsection should be omitted./.);

7. (Information from this subsection should be omitted./.);

8. The kind and amount of securities to be offered; the proposed offering price or the method by which it is to be computed; any variations therefrom at which any proportion of the offering is to be made to any person or class or persons other than underwriters, with a specification of any such person or class; the basis upon which the offering is to be made if otherwise than for cash; the estimated aggregate underwriting and selling discounts or commissions and finder's fees (including, listed separately, cash, securities, contracts or anything else of value to accrue to the underwriters or finders in connection with the offering) or, if the selling discounts or commissions are variable, the basis for determining them and their maximum and minimum amounts; the estimated amounts of other selling expenses, including legal, engineering and accounting charges; the name and address of every underwriter and every recipient of a finder's fee; a copy of any underwriting or selling group agreement pursuant to which the distribution is to be made or the proposed form of any such agreement whose terms may not yet have been determined; and a description of the plan of distribution of any securities which are to be offered otherwise than through an underwriter;

9. The estimated cash proceeds to be received by the issuer from the offering; the purposes for which the proceeds are to be used by the issuer; the amounts to be used for each purpose; the order or priority in which the proceeds will be used for the purposes stated; the amounts of any funds to be raised from other sources to achieve the purposes stated; and the sources of any such funds (Other items from this subsection should be omitted./.);

10. (Information from this subsection should be omitted./.);

11. (Information from this subsection should be omitted./.);

**12. (Information from this subsection should be omitted);**

[12.] **13.** A copy of any preliminary official statement, prospectus, pamphlet, circular, form letter, advertisement or other sales literature intended as of the effective date to be used in connection with the offering;

[13.] **14.** A specimen or copy of the security being registered and a copy of any indenture or other instrument covering the security to be registered (Other items from this subsection should be omitted./.);

[14.] **15.** A copy of the form of an opinion of counsel which will be executed upon delivery of the bonds to the underwriter or other purchaser and which opines as to the legality of the bonds being registered, whether the bonds when, if and as delivered, will be legally issued and whether the bonds will be binding obligations of the issuer (Other items from this subsection should be omitted./.);

[15.] **16.** The written consent of any accountant, engineer, appraiser or other person whose profession gives authority to a statement made by him/her, if any such person is named as having prepared or certified a report or valuation (other than a public and official document or statement) which is used in connection with the registration statement;

[16.] **17.** (Information from this subsection should be omitted./.); and

[17.] **18.** The following additional information:

A. A description of the trustee;

B. A description of the terms and conditions of any indenture covering the bonds (which may be included in the official statement);

C. A description of the mortgage pool insurance and any other insurance policies relating to the mortgage loans or loans to mortgage lenders;

D. A general description of terms and conditions of the purchase of, investment in, or assignment of mortgage loans from mortgage lenders or loans made to mortgage lenders, provisions for the security of the loans and provisions requiring the proceeds of the loans to be used by those mortgage lenders for the making of new mortgages for single family residential housing; provisions for securing new mortgages; and a general description of the terms and conditions of new mortgage loans including origination, service and administration of the new mortgage loans;



E. The plans covering the events of default and remedies;

F. A copy of the ordinance or court order authorizing issuance of the bond;

G. Statement indicating the provisions made by the political subdivision to secure the payment of the bonds including the creation of reserve and capitalized interest funds; action taken by the political subdivision with respect to the setting and collection of fees and charges deemed necessary to pay the debt service on the bonds; statement indicating whether there are provisions permitting or restricting the issuance of additional securities, the release or substitution of assets securing the issue, the modification of terms of the security; statement indicating the terms and conditions, if any, under which the holders, or any specified percentage of the holders, of the bonds or any coupons representing interest accrued on the bonds or coupons may, by civil action, compel the issuer to perform all duties imposed upon it by statute (that is, sections 108.450–108.470, RSMo) and to enforce the performance of any and all of the covenants made by the issuer with respect to the issuance of the bonds; and statement of the provisions relating to maturity, redemption, amortization, sinking fund or retirement;

H. Statement indicating whether there is litigation of any nature pending or threatened against the issuer, as of the date of the registration statement, to restrain or enjoin the issuance, sale, execution or delivery of the bond or in any way contesting or affecting the validity of the bonds or the security of the bonds, or contesting the validity of any proceedings of the issuer taken with respect to the issuance or sale; and form of certificate to be signed at time of closing; and

I. Statement of factual assumptions that were made by the issuer that must occur to enable it to make full and timely payments of principal, or premiums, if any, and interest on the bonds, service fees, insurance premiums, trustee's fees and the paying agent's fees.

(2) An issuer must submit form SR-5, Application for Registration of Single Family Mortgage Revenue Bonds, which is hereby adopted and approved for filing with the Securities Division [(see form SR-5)] (the Securities Division will provide a copy of this form upon request).

[(3) Records may be stored in paper form or electronically.]

*AUTHORITY: sections [409.304 and 409.413, RSMo 2000] 409.3-304, 409.3-307 and 409.6-605, RSMo Supp. 2003. Emergency rule filed Aug. 8, 1980, effective Aug. 18, 1980, expired Dec. 26, 1980. Original rule filed Sept. 11, 1980, effective Dec. 11, 1980. Amended: Filed Aug. 30, 2002, effective Feb. 28, 2003. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 53—Sales and Advertising Literature**

**EMERGENCY AMENDMENT**

**15 CSR 30-53.010 Promotional Materials to be Filed, Permitted Without Filing and Prohibited.** The commissioner is amending section (1).

*PURPOSE: The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under*

*the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) Any advertisement, display, pamphlet, brochure, letter, article or communication published in any newspaper, magazine or periodical, or script of any recording, radio or television announcement, broadcast or commercial to be used or circulated in connection with the sale and promotion of a public offering of securities will be subject to the following requirements and restrictions:

(A) All sales and advertising literature and promotional material, other than that exempted by the Missouri [Uniform] Securities Act of 2003 (the Act) (section 409.403/5-504) and this rule, shall be governed by the following:

1. The applicant shall file with the commissioner, at least five (5) days before its intended dissemination, one (1) copy of each item of literature or material;

2. If not disallowed by the commissioner by written notice or otherwise within three (3) business days from the date filed, the literature or material may be disseminated;

3. No formal approval of the literature or material shall be issued by the commissioner; and

4. The disseminator of the literature or material shall be responsible for the accuracy and reliability of the literature and material, and its conformance with the Act and this rule;

*AUTHORITY: sections [409.101, 409.302(b)(5), 409.303(b), 409.304(b), 409.403 and 409.413(a), RSMo 1986] 409.2-201(7), 409.2-203, 409.3-303, 409.3-304, 409.5-501, 409.5-504 and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-54.010 General.** The commissioner is amending sections (1)–(3).

*PURPOSE: The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which*

requires this emergency action. requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) The commissioner may render interpretative opinions upon the request of applicants with respect to the availability of any exemption (section 409.[414(e)]6-605(d) of the Missouri [Uniform] Securities Act of 2003 (the Act)). For fees, see 15 CSR 30-50.030. The opinions of the commissioner do not constitute any approval of the securities or transactions concerned and it is unlawful for an applicant to represent to any prospective purchaser, customer or client that the commissioner has announced approval (section 409.[405]5-506, RSMo).

(2) The burden of proof that the offer and sale of large blocks of securities by any person or of any securities by controlling persons (15 CSR 30-50.010(1)(H)) is not directly or indirectly for the benefit of the issuer and therefore eligible for the nonissuer exemptions of section 409.[402(b)(1), (2), (13), (14) or (15)]2-202 of the Act, is upon the person claiming the exemption (section 409.[402(f)]5-503, RSMo). For purposes of this rule, sales of securities in accordance with rule 144 or any similar rule promulgated under the Securities Act of 1933 are deemed to be not directly or indirectly for the benefit of the issuer.

(3) All issuers who effect sales of securities pursuant to the exemptions specified in sections [409.(402(a)(9) and (11), and 409.2-202(402(b)(10) and (11) of the Act, if the notice required by clause (b)(11)(B) of the Act or 15 CSR 30-54.140 is filed,] 409.2-201(7) and 409.2-203 shall preserve the following records during the period of six (6) years following the completion of the sales:

*AUTHORITY:* sections [409.307, 409.413(a), 409.414(e), RSMo 2000 and 409.402, RSMo Supp. 2002] 409.2-202, 409.2-203, 409.5-503 and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**  
**EMERGENCY AMENDMENT**

**15 CSR 30-54.015 Notice Filings for Investment Companies.** The commissioner is amending sections (1)–(3), deleting section (4) and amending and renumbering sections (5) and (6).

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This

emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) The initial notice required under section 409.[307(a)]3-302(a) to be filed for **investment companies, that include** an open-end or closed-end investment company, unit investment trust or face amount certificate company, as those persons are classified in the Investment Company Act of 1940, shall consist of the following:

(2) No documents filed by investment companies with the U.S. Securities and Exchange Commission [(SEC)] need to be filed with the notice described in section (1) above.

(3) Annual Sales Report or Termination. For [open-end investment companies or face amount certificate companies,] **investment companies**, the following notice shall be filed with the division when applicable:

(B) A termination notice on the Form NF and the fee described in 15 CSR 30-50.030 (**this notice needs to be filed with the division on the completion of the offering in Missouri**).

[(4) Final Sales Report for Unit Investment Trusts. The final sales report for unit investment trusts shall be on the Form NF and include the fee described in 15 CSR 30-50.030. This notice needs to be filed with the division on the completion of the offering in Missouri.]

[(5)](4) Renewals. The annual renewal for [closed-end] investment companies shall consist of the Form NF and a one hundred dollar (\$100) filing fee. This notice needs to be filed with the division **on or within thirty (30) days [of] before** the anniversary of the company's effective date in Missouri **or at the time of the company's fiscal year end**.

[(6)](5) Amendments. During the period of the offering, the investment company shall take steps necessary to insure that all material information contained in the notice remains current and accurate.

*AUTHORITY:* sections [409.307 and 409.413(a), RSMo 2000] 409.3-302 and 409.6-605, RSMo Supp. 2003. Original rule filed Feb. 18, 2003, effective Aug. 30, 2003. Emergency amendment filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**  
**EMERGENCY AMENDMENT**

**15 CSR 30-54.020 Government Issued or Guaranteed Securities.** The commissioner is deleting sections (1) and (3) and amending and renumbering section (2).

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

[1] Any request filed with respect to the availability of the exemption specified in section 409.402(a)(1) or (2) of the Missouri Uniform Securities Act (the Act) shall be accompanied by all available opinions and other documentation of governmental authorities supporting or relating to the availability of a like exemption in or under the issuer or guarantor.]

[2](1) Any security (including a revenue obligation), for the purposes of section 409.402(a)(1)2-201(1) of the Missouri Securities Act of 2003, shall be construed to include loan or lease arrangement guarantees, as well as revenue obligations to which they relate.

[3] Any guarantee of security exempt from registration pursuant to section 409.402(a)(1) of the Act is also exempt.]

*AUTHORITY:* sections [409.402(a)(1) and (2) and 409.413(a), RSMo 1986] 409.2-201(1) and 409.6-605, RSMo Supp. 2003. Original rule filed July 21, 1972, effective Aug. 1, 1972. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State**

**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY RESCISSION**

**15 CSR 30-54.030 Bank, Savings Institution or Trust Company Securities.** This rule prescribed the policies and procedures applicable to filings for the exemption of bank, savings institutions or trust company securities, including securities issued by a foreign bank.

*PURPOSE:* The commissioner of securities is proposing to rescind this rule for the Missouri Securities Act of 2003 exempts securities issued by an international banking institution.

*EMERGENCY STATEMENT:* This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency rescission is pursuant to changes reflected in the Missouri Securities Act of 2003. This emergency rescission was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

*AUTHORITY:* sections 409.402(a)(3) and 409.413(a), RSMo 1986. Original rule filed July 21, 1972, effective Aug. 1, 1972. Amended: Filed March 21, 1974, effective April 1, 1974. Amended: Filed Nov. 15, 1974, effective Nov. 25, 1974. Amended: Filed March 27, 1989, effective June 12, 1989. Emergency rescission filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY RESCISSION**

**15 CSR 30-54.040 Federal Savings and Loan Association or State Building and Loan or Similar Association Securities.** This rule prescribed the policies and procedures applicable to filings for the exemption of securities of federal savings and loan associations and state building and loan or similar associations.

*PURPOSE:* The commissioner of securities is proposing to rescind this rule in order for the exemption to be consistent and to comply with the Missouri Securities Act of 2003.

*EMERGENCY STATEMENT:* This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency rescission is pursuant to changes reflected in the Missouri Securities Act of 2003. This emergency rescission was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

*AUTHORITY:* sections 409.402(a)(4) and 409.413(a), RSMo 1986. Original rule filed July 21, 1972, effective Aug. 1, 1972. Amended: Filed March 21, 1974, effective April 1, 1974. Amended: Filed Nov. 15, 1974, effective Nov. 25, 1974. Emergency rescission filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-54.050 Railroad, Other Common Carrier, Public Utility and Holding Company Securities.** The commissioner is amending section (1) and deleting section (2).

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) A common carrier, for the purposes of section 409.[402(a)(7)]2-201(5) of the Missouri [Uniform] Securities Act of 2003 (the Act), shall be construed to include a contract carrier (section 3(a)(6), Securities Act of 1933; Section 214, Interstate Commerce Act, as amended).

[(2) Any individual who represents an issuer of a security exempted by section 409.402(a)(7) of the Act in effecting transactions listed in that section, other than—transactions exempted by section 409.402(b) of the Act; transactions with existing employees, partners or directors of the issuer with no commission or other remuneration being paid or given directly or indirectly for soliciting any person in Missouri; or transactions in securities subject to section 20a, Interstate Commerce Act, is an agent (section 409.401(b) of the Act) and is required to be registered as an agent (section 409.201(a), RSMo).]

*AUTHORITY:* sections [409.402(a)(7) and 409.413(a), RSMo 1986] 409.2-201(5) and 409.6-605, RSMo Supp. 2003. Original rule filed July 21, 1972, effective Aug. 1, 1972. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-54.060 Stock Exchange Listed Securities.** The commissioner is amending section (1) and deleting section (2).

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) Stock exchanges specified by or approved under section 409.[402(a)(8)]2-202(6) of the Missouri [Uniform] Securities Act [(the Act)] of 2003 are as follows:

[(2) Any individual who represents an issuer of a security exempted by section 409.402(a)(8), RSMo in effecting transactions listed in that section, other than in transactions exempted by section 409.402(b), RSMo or in transactions with existing employees, partners or directors of the issuer with no commission or other remuneration being paid or given directly or indirectly for soliciting any person in Missouri, is an agent (section 409.401(b), RSMo) and is required to be registered as an agent (section 409.201(a), RSMo).]

*AUTHORITY:* sections [409.402(a)(8), RSMo Supp. 2002 and 409.413(a), RSMo 2000] 409.2-202(6) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY RESCISSION**

**15 CSR 30-54.070 NASAA Statements of Policy (Exemptions).** This rule prescribed the guidelines to be applied to notice filings for securities or transactions that are exempt from registration.

*PURPOSE:* The commissioner of securities is proposing to rescind this rule and adopt a new rule that complies with the Missouri Securities Act of 2003 and that describes the terms and conditions of the request for exemption authorization under section 409.2-201(7)(B) of the Missouri Securities Act of 2003.

*EMERGENCY STATEMENT:* This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a

rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency rescission is pursuant to changes reflected in the Missouri Securities Act of 2003. This emergency rescission was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** sections 409.402(a)(9), RSMo Supp. 2002 and 409.413(a), RSMo 2000. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency rescission filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the *Missouri Register*.

## Title 15—ELECTED OFFICIALS

### Division 30—Secretary of State

#### Chapter 54—Exemptions and Federal Covered Securities

##### EMERGENCY RULE

#### 15 CSR 30-54.070 Not-for-Profit Securities

**PURPOSE:** The purpose of this emergency rule is to adopt a new rule that complies with the Missouri Securities Act of 2003 and that describes the terms and conditions of the request for exemption authorization under section 409.2-201(7)(B) of the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency rule brings the rule into compliance with the Missouri Securities Act of 2003. This emergency rule is necessary to protect the health, safety and welfare by having a regulation that is consistent with and cites the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rule, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rule is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency rule is pursuant to changes reflected in the Missouri Securities Act of 2003. This emergency rule was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.

**PUBLISHER'S NOTE:** The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material.

(1) The Securities Division will apply the applicable statement of policy adopted by the North American Securities Administrators Association, Inc. (NASAA) as listed in section (2) below when reviewing requests for exemption authorization pursuant to section 409.2-201(7)(B) of the Missouri Securities Act of 2003 (the Act).

(2) The following statements of policy are hereby incorporated by reference:

(A) Church Bonds as adopted by NASAA on April 14, 2002; and

(B) Guidelines for General Obligations Financing by Religious Denominations as adopted by NASAA on April 17, 1994.

(3) Cross-Reference Sheet. If requested by the Securities Division, a request for exemption authorization shall include a cross-reference table to indicate compliance with, or deviation from, the various sections of the applicable NASAA statement of policy.

(4) Documents. The request for exemption shall include the documents listed in section II.A.3, of the NASAA Statement of Policy Regarding Church Bonds.

(5) Sales Literature. All sales and advertising literature shall be filed with the Securities Division prior to use and shall comply with the applicable NASAA statement of policy.

(6) Filing Fee. Each request for exemption under section 409.201(7)(B), RSMo shall include a filing fee of one hundred dollars (\$100) as specified in Missouri regulation 15 CSR 30-50.030.

(7) Effective Period. The securities that qualify for the exemption under section 409.2-201(7)(B), RSMo are exempt when ordered by the commissioner. The exemption is effective for one (1) year from the date that the securities were ordered to be exempt by the commissioner.

(8) Renewal. If the securities offering is not completed during the effective period, an issuer can renew the exemption by submitting to the commissioner a written request for renewal that includes any amendments to any documents filed with the request for the exemption and a fee of one hundred dollars (\$100). The renewal must be filed with the commissioner within thirty (30) days before the end of the one (1) year effective date. With each renewal, the commissioner may require a cross-reference sheet to demonstrate compliance with the applicable NASAA statement of policy.

**AUTHORITY:** sections 409.2-201(7)(B) and 409.6-605 RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency rescission and rule filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rule covering this same material is published in this issue of the *Missouri Register*.

## Title 15—ELECTED OFFICIALS

### Division 30—Secretary of State

#### Chapter 54—Exemptions and Federal Covered Securities

##### EMERGENCY RESCISSION

**15 CSR 30-54.080 Commercial Paper Securities.** This rule prescribed the policies applicable to the exemption of certain commercial paper.

**PURPOSE:** The Commissioner of Securities is proposing to rescind this rule for there is no corresponding exemption for commercial paper under the Missouri Securities Act of 2003.

**EMERGENCY STATEMENT:** This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission

is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency rescission is pursuant to changes reflected in the Missouri Securities Act of 2003. This emergency rescission was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** sections 409.402(a)(10) and 409.413(a), RSMo 1986. Original rule filed July 21, 1972, effective Aug. 1, 1972. Amended: Filed March 21, 1974, effective April 1, 1974. Amended: Filed Nov. 15, 1974, effective Nov. 25, 1974. Emergency rescission filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY RESCISSION**

**15 CSR 30-54.090 Employees' Benefit Plan Securities.** This rule prescribed policies and procedures applicable to the exemption of securities issued in connection with certain employees' benefit plans.

**PURPOSE:** The commissioner of securities is proposing to rescind this rule for no notice filing is required for exempt transactions pursuant to an employee benefit plan under the Missouri Securities Act of 2003.

**EMERGENCY STATEMENT:** This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency rescission is pursuant to changes reflected in the Missouri Securities Act of 2003. This emergency rescission was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** sections 409.402(a)(11) and 409.413(a), RSMo 1986. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency rescission filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-54.100 Manual Exemption.** The commissioner is amending sections (1) and (2).

**PURPOSE:** The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) For the purpose of the manual exemption (section 409.402(b)(2)(A)2-202(2)(D) of the Missouri [Uniform] Securities Act of 2003 (the Act)), the following securities manual(s) or portions of the manual(s) is recognized: *Fitch Rating Register*.

(2) The exemption specified in section 409.402(b)(2)(A)2-202(2)(D) of the Act shall be available only when a recognized manual has contained the required information for a period of not less than ninety (90) days prior to the transaction.

**AUTHORITY:** sections [409.402(b)(2)(A) and 409.413(a), RSMo 1986] 409.2-202(2)(D) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-54.110 Unsolicited Order to Buy Exemption.** The commissioner is amending section (1).

**PURPOSE:** The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri*

**Register.** *The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) Any purchaser acquiring a security pursuant to the exemption specified in section 409.[402(b)(3)]2-202(6) of the Missouri [Uniform] Securities Act of 2003 shall acknowledge in writing that his/her order to buy was unsolicited; provided, that no such acknowledgment shall be required if the confirmation furnished the purchaser is clearly marked "Unsolicited Order" or the broker-dealer furnishes the purchaser before or concurrently with the delivery of the confirmation a memorandum stating that the transaction is based upon an unsolicited order to buy.

**AUTHORITY:** sections [409.402(b)3 and 409.413(a), RSMo 1986] 409.2-202(6) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
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EMERGENCY AMENDMENT**

**15 CSR 30-54.120 Mortgage-Note Exemption.** The commissioner is amending section (1).

**PURPOSE:** *The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

**EMERGENCY STATEMENT:** *This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) The exemption specified in section 409.[402(b)(5)]2-202(11) of the Missouri [Uniform] Securities Act of 2003 shall not be considered to extend to any transaction in a security in the nature of an investment contract or profit-sharing agreement.

**AUTHORITY:** sections [409.402(b)(5) and 409.413(a), RSMo 1986] 409.2-202(11) and 409.6-605, RSMo Supp. 2003. Original rule filed July 21, 1972, effective Aug. 1, 1972. For intervening his-

tory, please consult the Code of State Regulations. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY RESCISSION**

**15 CSR 30-54.125 Institutional Buyer Exemption.** This rule prescribed policies applicable to the exemption for any offer or sale to a financial institution or institutional buyer.

**PURPOSE:** *The commissioner of securities is proposing to rescind this rule in order to be consistent with the Missouri Securities Act of 2003 and its definition of an institutional investor.*

**EMERGENCY STATEMENT:** *This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency rescission is pursuant to changes reflected in the Missouri Securities Act of 2003. This emergency rescission was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.*

**AUTHORITY:** sections 409.402(b)(8) and 409.413(a), RSMo 1986. Original rule filed June 2, 1986, effective Oct. 27, 1986. Emergency rescission filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the Missouri Register.

**Title 15—ELECTED OFFICIALS  
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**EMERGENCY RESCISSION**

**15 CSR 30-54.130 First Twenty-Five Persons Exemption.** This rule prescribed policies applicable to the availability to the issuer of securities of the transactional exemption in which persons interested in the issuer's securities did not exceed twenty-five, and no commission and the like were paid.

**PURPOSE:** *The commissioner of securities is proposing to rescind this rule and adopt a new rule that complies with the Missouri Securities Act of 2003 and that prescribes the meaning of terms and conditions used in the transactional exemption of section 409.2-202(14) under the Missouri Securities Act of 2003 that became effective September 1, 2003.*

**EMERGENCY STATEMENT:** *This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the*

public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency rescission on August 21, 2003. This emergency rescission was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** sections 409.402(b)(9) and 409.413(a), RSMo 1986. Original rule filed June 25, 1968, effective Aug. 1, 1968. Amended: Filed May 21, 1969, effective Aug. 1, 1969. Amended: Filed July 21, 1972, effective Aug. 1, 1972. Amended: Filed March 21, 1974, effective April 1, 1974. Amended: Filed Nov. 15, 1974, effective Nov. 25, 1974. Emergency rescission filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY RULE**

**15 CSR 30-54.130 Limited Offering Exemption**

**PURPOSE:** This rule prescribes the meaning of terms and conditions used in the transactional exemption of section 409.2-202(14) under the *Missouri Securities Act of 2003*.

**EMERGENCY STATEMENT:** This emergency rule brings the rule into compliance with the *Missouri Securities Act of 2003*. This emergency rule is necessary to protect the health, safety and welfare by having a regulation that is consistent with and cites the proper authority under the *Missouri Securities Act of 2003*. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rule, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rule is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency rule on August 21, 2003. This emergency rule was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) In determining the number of purchasers under section 409.2-202(14)(A), RSMo, purchasers shall include as many persons as there are record and beneficial owners of equity interests in any corporation, partnership, association, joint stock company, trust, limited liability company or unincorporated organization or other entity organized for the purpose of owning those securities of the issuer or which is merely a medium through or by which an individual invests or trades in securities and where that entity has no other substantial business. A tenancy by the entirety is one (1) person.

(2) General solicitation under section 409.2-202(14)(B), RSMo does not include an offer to sell or sale of securities where the offeror or the seller is the issuer or an agent of the issuer and the offeror or sell-

er has a familial or substantive preexisting relationship with the offeror or purchaser.

**AUTHORITY:** sections 409.2-202(14) and 409.6-605, RSMo Supp. 2003. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency rescission and rule filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rule covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY RESCISSION**

**15 CSR 30-54.140 Fifteen Transactions in Twelve Months Exemption.** This rule prescribed the policies and procedures for transactions exempted under section 409.402(b)(10), RSMo.

**PURPOSE:** The commissioner of securities is proposing to rescind this rule and adopt a new rule at 15 CSR 30-54.130 that complies with the *Missouri Securities Act of 2003* and that prescribes the terms and conditions for exempt transactions pursuant to section 409.2-202(14) under the *Missouri Securities Act of 2003* that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency rescission complies with the *Missouri Securities Act of 2003*. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the *Missouri Securities Act of 2003*. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency rescission on August 21, 2003. This emergency rescission was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** sections 409.402(b)(10) and 409.413(a), RSMo 1986. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the *Code of State Regulations*. Emergency rescission filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
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**EMERGENCY AMENDMENT**

**15 CSR 30-54.150 Suggested Form of Investment Letter.** The commissioner is amending provisions of this rule.

**PURPOSE:** The purpose of this amendment is to correct citations and to bring the rule into compliance with the *Missouri Securities Act of 2003* that became effective September 1, 2003.



*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is generally limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.*

[19/20]

(Name and Address of Issuer)

Dear Sir or Madam:

This is a statement of my intention to purchase (description of securities) of the (issuer) knowing that said (securities) are not registered for offer or sale under the Missouri [Uniform] Securities Act of 2003 (Chapter 409, RSMo).

Pursuant to [clause (B), paragraph (10), subsection 409.402(b),] subsection (D), of section 409.2-202(b), of the Missouri [Uniform] Securities Act of 2003, I hereby represent that I am purchasing said (securities) solely for investment and do not intend to divide my participation with others or to resell or otherwise dispose of all or any part of said (securities) in Missouri. In making the foregoing representations I understand that the statutory exemption of [paragraph (10), subsection 409.402(b),] section 409.2-202(14) of the Missouri [Uniform] Securities Act[,] of 2003 would not be available if I, notwithstanding my said representation, I have in mind merely] I were acquiring said (securities) for resale or other disposition upon the occurrence or nonoccurrence of some predetermined event.

I acknowledge that the (issuer) is relying on the statutory exemption of [paragraph (10), subsection 409.402(b),] section 409.2-202(14) of the Missouri [Uniform] Securities Act of 2003, and is basing his/her reliance in part on my said representations.

Further, I acknowledge that, unless said (securities) are registered under the Missouri [Uniform] Securities Act of 2003, I may not resell, hypothecate, transfer or assign or make other disposition of said (securities) in the state of Missouri, except in transactions exempted from the registration requirements of the Act.

I have received and examined financial statements of the (issuer) for the (period or periods) and (other data) which I consider sufficient to enable me to form a decision concerning my purchase.

(Name and Address of Purchaser)

*AUTHORITY: sections [409.402(b)(10) and 409.413(a), RSMo 1986] 409.2-202(14) and 409.6-605, RSMo Supp. 2003. Original rule filed July 21, 1972, effective Aug. 1, 1972. Amended: Filed Nov. 15, 1974, effective Nov. 25, 1974. Emergency amendment filed Aug.*

*19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY RESCISSION**

**15 CSR 30-54.160 Offers to Existing Security Holders Exemption.** This rule prescribed policies and procedures applicable to the availability to the issuer of securities of transactional exemptions in the case of offers to existing security holders.

*PURPOSE: The commissioner of securities is proposing to rescind this rule for no notice filing is required for the exempt transactions pursuant to an offer to existing security holders under the Missouri Securities Act of 2003.*

*EMERGENCY STATEMENT: This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency rescission is pursuant to changes reflected in the Missouri Securities Act of 2003. This emergency rescission was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.*

*AUTHORITY: sections 409.402(b)(11) and 409.413(a), RSMo 1986. Original rule filed July 21, 1972, effective Aug. 1, 1972. Amended: Filed March 21, 1974, effective April 1, 1974. Amended: Filed Nov. 15, 1974, effective Nov. 25, 1974. Amended: Filed Dec. 19, 1975, effective Dec. 31, 1975. Emergency rescission filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-54.170 Preeffective Offer Exemption.** The commissioner is amending section (1).

*PURPOSE: The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which*

requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the **Missouri Register**. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the **Missouri and United States Constitutions**. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) The exemption specified in section 409.[402(b)(12)]2-202(16) of the Missouri [Uniform] Securities Act of 2003 (the Act) shall not be available to any offer made after the later of either effectiveness of registration under the Act or effectiveness of the registration statement filed under the Securities Act of 1933.

**AUTHORITY:** sections [409.402(b)(12) and 409.413(a), RSMo 1986] 409.2-202(16) and 409.6-605, RSMo Supp. 2003. Original rule filed July 21, 1972, effective Aug. 1, 1972. For intervening history, please consult the **Code of State Regulations**. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the **Missouri Register**.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-54.183 Exemption for Reporting Company Securities.** The commissioner is amending section (1).

**PURPOSE:** The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the **Missouri Register**. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the **Missouri and United States Constitutions**. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) The exemption specified in section 409.[402(b)(15)]2-202(4) of the Missouri [Uniform] Securities Act [(the Act)] of 2003 shall be available only when the reports filed under Section 13 of the **Securities Exchange Act of 1934** have been on file for a period of not less than ninety (90) days prior to the transaction.

**AUTHORITY:** sections [409.402(b)(12) and 409.413(a), RSMo 1986] 409.2-202(4) and 409.6-605, RSMo Supp. 2003. Original rule filed Jan. 14, 1987, effective June 11, 1987. Emergency amend-

ment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the **Missouri Register**.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY RESCISSION**

**15 CSR 30-54.190 Agricultural Cooperative Association Securities.** This rule prescribed the timing and content of the notice filing for securities issued by an agricultural cooperative association that were exempt under the Missouri Uniform Securities Act.

**PURPOSE:** The commissioner of securities is proposing to rescind this rule and readopt a new rule that complies with the Missouri Securities Act of 2003 and that prescribes the qualifications for the exemption under the Missouri Securities Act of 2003 for securities issued by and representing an interest in a new generation processing entity.

**EMERGENCY STATEMENT:** This emergency rescission complies with the Missouri Securities Act of 2003. This emergency rescission is necessary to protect the health, safety and welfare by rescinding a rule that is inconsistent with the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rescission which covers the same material, is published in this issue of the **Missouri Register**. The scope of this emergency rescission is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the **Missouri and United States Constitutions**. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency rescission on August 21, 2003. This emergency rescission was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** section 409.413, RSMo 2000. Emergency rule filed Aug. 11, 1978, effective Aug. 23, 1978, expired Dec. 21, 1978. Original rule filed Aug. 11, 1978, effective Feb. 11, 1979. For intervening history, please consult the **Code of State Regulations**. Emergency rescission filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rescission covering this same material is published in this issue of the **Missouri Register**.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY RULE**

**15 CSR 30-54.190 New Generation Processing Entity**

**PURPOSE:** This rule complies with the Missouri Securities Act of 2003 and prescribes the qualifications for the exemption under the Missouri Securities Act of 2003 for securities issued by and representing an interest in a new generation processing entity.

**EMERGENCY STATEMENT:** This emergency rule brings the rule into compliance with the Missouri Securities Act of 2003. This emergency rule is necessary to protect the health, safety and welfare by having a regulation that is consistent with and cites the proper authority under the Missouri Securities Act of 2003. As a result, the

*Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed rule, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency rule is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the Securities Division Advisory Panel reviewed the substance of this emergency rule on August 21, 2003. This emergency rule was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) Definition. A "new generation processing entity" shall be defined as an "eligible new generation processing entity" as defined under section 348.432.1(4), RSMo which defines the term as a partnership, corporation, cooperative, or limited liability company organized or incorporated pursuant to the laws of this state consisting of not less than twelve (12) members, approved by the Missouri Agricultural and Small Business Development Authority, for the purpose of owning or operating within this state a development facility or a renewable fuel production facility in which producer members:

(A) Hold a majority of the governance or voting rights of the entity and any governing committee;

(B) Control the hiring of management; and

(C) Deliver agricultural commodities or products to the entity for processing, unless processing is required by multiple entities.

(2) Securities Exemption. The commissioner, pursuant to the provisions of section 409.2-203, RSMo, exempts from the registration requirements of section 409.3-301, RSMo securities issued by and representing an interest in a new generation processing entity if:

(A) A notice filing by the new generation processing entity is made with the commissioner that consists of the following:

1. A completed Form SE-1, Statement of Claim for the Exemption of Securities of a New Generation Processing Entity;

2. A completed Form U-2, Consent to Service of Process;

3. A completed Form U-2A, Uniform Form of Corporate Resolution;

4. A copy of the prospectus or offering document that shall have a minimum disclosure consisting of the following:

A. The name and address of the issuer;

B. The type of security being issued;

C. The total amount of securities being issued;

D. A risk factors section;

E. A description of the business or proposed business;

F. An itemized use of proceeds;

G. A plan of distribution section;

H. A summary of capitalization; and

I. Historical financial statements of the issuer for the past three (3) fiscal years or since the issuer's inception, whichever is shorter, that are in conformity with generally accepted accounting principles (GAAP) and have been reviewed by a certified public accountant. If the balance sheet in the above financial statements is more than one hundred twenty (120) days old on the date of making the notice filing or if the issuer has not completed its first fiscal year, reviewed financial statements not more than one hundred twenty (120) days old shall be included and in conformity with GAAP;

5. A copy of the bylaws, operating agreement or similar document;

6. A copy of any advertising materials or any summaries of the offering document to be used in the offer or sale of the securities in Missouri;

7. A copy of any underwriting or selling agreements;

8. A copy of the subscription agreement; and

9. A filing fee of one hundred dollars (\$100);

(B) All proceeds raised by the new generation processing entity from the sale of securities pursuant to this exemption are held in escrow until the Missouri Agricultural and Small Business Development Authority provides final approval to the new generation processing entity for the new generation cooperative incentive tax credits. If the Missouri Agricultural and Small Business Development Authority does not provide final approval to the new generation processing entity for the new generation cooperative incentive tax credits, then the proceeds raised by new generation processing entity from the offer and sale of its securities under this exemption will be returned to investors.

(3) The securities of the new generation processing entity qualifying for the exemption under this regulation are exempt when ordered by the commissioner.

(4) Effective Period. The exemption under this regulation for the securities issued by or representing an interest in a new generation processing entity is effective for one (1) year from the date that the securities were ordered to be exempt by the commissioner.

(5) Amendments. The new generation processing entity shall file all amendments with the division in which there has been a material change to documents previously filed with the division. The new generation processing entity shall file with the division all advertising materials to be used in the offer or sale of the securities exempt under this regulation.

(6) Renewal. If the securities offering is not completed during the effective period, an issuer can renew the exemption by submitting to the commissioner a written request for renewal that includes any amendments to any documents filed with the notice filing and a fee of one hundred dollars (\$100). The renewal needs to be received by the commissioner within thirty (30) days before the end of the one (1) year effective date.

(7) Any new generation processing entity that meets the qualifications of the exemption under section 409.2-201(8), RSMo can rely on the exemption of section 409.2-201(8), RSMo and need not qualify for the exemption under this regulation.

*AUTHORITY: sections 409.2-203 and 409.6-605, RSMo Supp. 2003. Emergency rule filed Aug. 11, 1978, effective Aug. 23, 1978, expired Dec. 21, 1978. Original rule filed Aug. 11, 1978, effective Feb. 11, 1979. For intervening history, please consult the Code of State Regulations. Emergency rescission and rule filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed rule covering this same material is published in this issue of the Missouri Register.*

## Title 15—ELECTED OFFICIALS

### Division 30—Secretary of State

#### Chapter 54—Exemptions and Federal Covered Securities

#### EMERGENCY AMENDMENT

**15 CSR 30-54.210 Notice Filings for Transactions under Regulation D, Rules 505 and 506.** The commissioner is amending sections (1)–(3) and deleting section (5).

*PURPOSE: The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and*

welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 26, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) Rule 505.

(A) Pursuant to section 409.402(c), RSMo securities] 2-203 of the Missouri Securities Act of 2003 (the Act), transactions that are exempt securities under 17 CFR 230.505 are exempt from section 409.3-301, RSMo. As a condition of this exemption, the issuer shall comply with the requirements in section (3) below.

(2) Rule 506. The issuer shall file a notice under section 409.307(b)/3-302(c), RSMo as stated in section (3) below.

(3) Notice Filings for Rules 505 and 506. The notice filing required for transactions in Missouri under 17 CFR 230.505 and 17 CFR 230.506, unless the securities or transactions would qualify for an [self-executing] exemption under sections [409.402] 409.2-201, 409.2-202 or 409.2-203 of the Act, shall consist of the following:

(A) One (1) manually signed copy of the Form D (including the Appendix);

(D) Each notice shall be filed with the division no later than fifteen (15) calendar days after the first sale of the securities in Missouri. A cover letter should be included in the notice filing which states the date in which the first sale of securities had occurred in Missouri.

[[5) Agents. Pursuant to section 409.401(b), RSMo, and only for the purposes of effecting transactions under this rule, agent does not include those officers, directors, general partners or other bona fide employees of the issuer whose primary employment function is other than the sale of securities.]

*AUTHORITY:* sections [409.307 and 409.413(a), RSMo 2000 and 409.402(c), RSMo Supp. 2002] 409.2-203, 409.3-302 and 409.6-605, RSMo Supp. 2003. Emergency rule filed Aug. 12, 1982, effective Aug. 22, 1982, expired Dec. 10, 1982. Original rule filed Aug. 11, 1982, effective Dec. 11, 1982. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 26, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**  
**EMERGENCY AMENDMENT**

**15 CSR 30-54.215 Accredited Investor Exemption.** The commissioner is amending sections (1) and (3).

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and complies with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes this emergency amendment is fair to all interested persons and parties under the circumstances. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) The commissioner, pursuant to the provisions of section 409.402(c), RSMo]2-203 of the Missouri [Uniform] Securities Act of 2003 (the Act), exempts the following transactions from the requirements of sections 409.3-301[and 409.403] of the Act: Any offer or sale of securities to a person meeting the requirements of rule 230.501(a) of the Securities Act of 1933, when the broker-dealer or issuer relying upon that exemption obtains a statement signed by the investor that the security is not registered and may be disposed of only through a licensed broker-dealer. The statement also shall advise the investor that it is a felony to sell securities in violation of the Missouri Securities Act of 2003.

(3) No exemption under this rule shall be available for a transaction if either the issuer or any broker-dealer offering or selling the securities is or would be disqualified under 15 CSR 30-54.210(1)/(A)1.(B).

*AUTHORITY:* sections [409.402(c) and 409.413(a), RSMo 1986] 409.2-203 and 409.6-605, RSMo Supp. 2003. Original rule filed March 27, 1989, effective June 12, 1989. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-54.220 Transaction Exemption for Securities Listed on Certain Quotation Systems.** The commissioner is amending section (1).

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the

*Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) The commissioner, pursuant to the provisions of section 409.[402(c)]2-203 of the Missouri [Uniform] Securities Act of 2003 (the Act), [RSMo] exempts the following transactions from the requirements of sections 409.3-301 and 409.[403/5-504] of the Act:

(A) The offer or sale of a security designated or approved for designation upon notice of issuance (including initial public offerings) on the National Market [System] of the National Association of Securities Dealers, Inc., Automated Quotation System (NASDAQ) and any other security of the same issuer that is of senior or substantially equal rank, any security called for by subscription rights or warrants or any warrant or right to purchase or subscribe to any of the foregoing securities;

(C) For purposes of the exemption granted in this section of the Act, the commissioner shall apply the following standards for designation of additional quotation systems:

1. The association providing the automated quotation system (association) shall require at least the following standards to be met for designation of securities of an issuer on the quotation system:

	Alt. No. 1	Alt. No. 2
Net Tangible Assets 1/	\$4,000,000	\$12,000,000
Public Float	\$ 500,000	\$ 1,000,000
Pretax Income	\$ 750,000	_____
Net Income	\$ 400,000	_____
Shareholders 2/	800/400	800/400
Market Value of Float	\$3,000,000	\$15,000,000
Minimum Bid	\$ 5/Share	_____
Operating History	_____	3 Years

The rules of each association shall require at least two (2) authorized market makers for each issuer;

2. The association shall require at least the following minimum corporate governance standards for its domestic issuers:

A. Distribution of annual and interim reports.

(I) Each issuer shall distribute to shareholders copies of an annual report containing audited financial statements of the company and its subsidiaries. The report shall be distributed to shareholders a reasonable period of time prior to the company's annual meeting of shareholders and shall be filed with the association at the time it is distributed to shareholders.

(II) Each issuer which is subject to U.S. Securities and Exchange Commission (SEC) Rule 13A-13 shall make available to shareholders copies of quarterly reports, including statements of operating results, either prior to or as soon as practicable following the company's filing its Form 10-Q with the SEC. If the form of the quarterly report differs from the Form 10-Q, both the quarterly report and the Form 10-Q shall be filed with the association. The statement of operations contained in quarterly reports shall disclose, at a minimum, any substantial items of an unusual or nonrecurrent nature and net income and the amount of estimated federal taxes.

(III) Each issuer which is not subject to SEC Rule 13A-13 and which is required to file with the SEC or another federal or state regulatory authority interim reports relating primarily to operations and financial position, shall make available to shareholders reports which reflect the information contained in those interim reports. These reports shall be made available to shareholders either before or as soon as practicable following filing with the appropriate regulatory authority. If the form of the interim report made available to shareholders differs from that filed with the regulatory authority, both the report to shareholders and the report to the regulatory authority shall be filed with the association;

B. Independent directors. Each issuer shall maintain a minimum of two (2) independent directors on its board of directors. For purposes of subsection (1)(C), independent director shall mean a person other than an officer or employee of the company or its subsidiaries or any other individual having a relationship which, in the opinion of the board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director;

C. Audit committee. Each issuer shall establish and maintain an audit committee, a majority of the members of which shall be independent directors;

D. Shareholder meetings. Each issuer shall hold an annual meeting of shareholders and shall provide notice of the meeting to the association;

E. Quorum. Each issuer shall provide for a quorum as specified in its bylaws for any meeting of the holders of common stock; provided, however, that in no case shall the quorum be less than thirty-three and one-third percent (33 1/3%) of the outstanding shares of the company's common voting stock;

F. Solicitation of proxies. Each issuer shall solicit proxies and provide proxy statements for all meetings of shareholders and shall provide copies of the proxy solicitation to the association;

G. Conflicts of interest. Each issuer shall conduct an appropriate review of all related party transactions on an ongoing basis and shall use the company's audit committee or a comparable body for the review of potential conflict of interest situations where appropriate; and

H. Shareholder approval policy. Each issuer shall require shareholder approval of the issuance of securities in connection with the following:

(I) Options, plans or other special remuneration plans for directors, officers or key employees;

(II) Actions resulting in a change in control of the issuer; and

(III) The acquisition, direct or indirect, of a business, a company, tangible or intangible assets or property or securities representing any such interests—

(a) From a director, officer or substantial security holder of the company (including its subsidiaries and affiliates) or from any company or party in which one of these persons has a direct or indirect interest; and

(b) Where the present or potential issuance of common stock or securities convertible into common stock could result in an increase in outstanding common shares of twenty-five percent (25%) or more;

3. Voting rights.

A. The rules of each association shall provide as follows: No rule, stated policy, practice or interpretation of this association shall permit the designation on the NASDAQ System's National Market [System] (authorization), or the continuance of authorization, of any common stock or other equity security of a domestic issuer if, on or after July 7, 1988, the issuer of the security issues any class of security or takes other corporate action with the effect of nullifying, restricting or disparately reducing the per share voting rights of holders of an outstanding class(es) of common stock of the issuer registered pursuant to Section 12 of the Securities Exchange Act of 1934.

B. For purposes of subparagraph (1)(C)3.A., the following shall be presumed to have the effect of nullifying, restricting or disparately reducing the per share voting rights of an outstanding class(es) of common stock:

(I) Corporate action to impose any restriction on the voting

power of shares of the common stock of the issuer held by a beneficial owner or record holder based on the number of shares held by the beneficial or record holder;

(II) Corporate action to impose any restriction on the voting power of shares of the common stock of the issuers held by a beneficial or record holder based on the length of time the shares have been held by that beneficial or record holder;

(III) Any issuance of securities through an exchange offer by the issuer for shares of an outstanding class of common stock of the issuer, in which the securities issued having voting rights greater than or less than the per share voting rights of any outstanding class of the common stock of the issuer; and

(IV) Any issuance of securities pursuant to a stock dividend, or any other type of distribution of stock, in which the securities issued have voting rights greater than the per share voting rights of any outstanding class of the common stock of the issuer.

C. For purposes of subparagraph (1)(C)3.A., the following, standing alone, shall be presumed not to have the effect of nullifying, restricting or disparately reducing the per share voting rights of holders of an outstanding class(es) of common stock:

(I) The issuance of securities pursuant to an initial registered public offering;

(II) The issuance of any class of securities, through a registered public offering, with voting rights not greater than the per share voting rights of any outstanding class of the common stock of the issuer;

(III) The issuance of any class of securities to effect a *bona fide* merger or acquisition, with voting rights not greater than the per share voting rights of any outstanding class of the common stock of the issuer; and

(IV) Corporate action taken pursuant to state law requiring a state's domestic corporation to condition the voting rights of a beneficial or record holder of a specified threshold percentage of the corporation's voting stock on the approval of the corporation's independent shareholders.

D. Definitions. The following terms shall mean, for purposes of this subsection, and the rules of each association shall include these definitions for the purposes of the prohibition in subparagraph (1)(C)3.A. of this rule:

(I) The term common stock shall include any security of an issuer designated as common stock and any security of an issuer, however designated which, by statute or by its terms, is common stock (for example, a security which entitles the holders of the security to vote generally on matters submitted to the issuer's security holders for a vote);

(II) The term domestic issuer shall mean an issuer that is not a foreign private issuer as defined in Rule 3b-4 under the Securities Exchange Act of 1934 (17 CFR 240.3b-4);

(III) The term equity security shall include any equity security defined as such pursuant to Rule 3a11-1 under the Securities Exchange Act of 1934 (17 CFR 240.3a11-1); and

(IV) The term security shall include any security defined as such pursuant to Section 3(a)(10) of the Securities Exchange Act of 1934, but shall exclude any class of security having a preference or priority over the issuer's common stock as to dividends, interest payments, redemption or payments in liquidation, if the voting rights of the securities only become effective as a result of specified events, not relating to an acquisition of the common stock or the issuer, which reasonably can be expected to jeopardize the issuer's financial ability to meet its payment obligations to the holders of that class of securities;

4. Maintenance criteria. After designation or authorization for quotation on a quotation system, a security must meet the following criteria to continue to be designated or authorized for quotation on the quotation system:

A. The issuer of the security has net tangible assets of at least—

(I) Two (2) million dollars if the issuer has sustained losses from continuing operations or net losses, or both, in two (2) of its three (3) most recent fiscal years; or

(II) Four (4) million dollars if the issuer has sustained losses from continuing operations or net losses, or both, in three (3) of its four (4) most recent fiscal years;

B. There are at least two hundred thousand (200,000) publicly held shares;

C. There are at least four hundred (400) shareholders or at least three hundred (300) shareholders of round lots; and

D. The aggregate market value of publicly held shares is at least one (1) million dollars;

5. The associations promptly shall notify the commissioner of the revocation of designation of an issue of securities by their marketplace; and

6. The marketplace receiving an exemption will use its best efforts to make available on a timely basis information from existing data bases regarding offerings of securities subject to the exemption.

*AUTHORITY: sections [409.402(c) and 409.413, RSMo 1986] 409.2-203 and 409.6-605, RSMo Supp. 2003. This rule was previously filed as 15 CSR 30-54.200. Original rule filed Aug. 7, 1981, effective Nov. 12, 1981. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

## Title 15—ELECTED OFFICIALS Division 30—Secretary of State Chapter 54—Exemptions and Federal Covered Securities

### EMERGENCY AMENDMENT

**15 CSR 30-54.250 Missouri Qualified Fund Exemption.** The commissioner is amending section (1).

*PURPOSE: The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) The commissioner, pursuant to the provisions of **section 409.[402(c)]2-203**, RSMo, exempts the following securities from the requirements of sections 409.3-301 and 409.[403]5-504 of the Missouri [Uniform] Securities Act of 2003 (the Act):

*AUTHORITY: sections [409.402(c) and 409.413(a), RSMo 1986] 409.2-203 and 409.6-605, RSMo Supp. 2003. Original rule*

filed March 27, 1989, effective June 12, 1989. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State**

**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-54.260 Foreign Issuer Exemption.** The commissioner is amending section (1) and adding sections (2) and (3).

*PURPOSE:* The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.

(1) The commissioner, pursuant to the provisions of section 409.402(c), RSMo]2-203 of the Missouri [Uniform] Securities Act of 2003 (the Act), exempts the following transactions from the requirements of sections 409.401]3-301 and 409.403, RSMo]5-504 of the Act:

(A) Any nonissuer transaction by a registered broker-dealer in a security traded on a foreign stock exchange, foreign automated quotation system or an American Depository Receipt; provided:

1. The security is sold at a price reasonably related to the current market price of that security at the time of the transaction;

2. The security does not constitute the whole or part of an unsold allotment to, or subscription or participation by, the broker-dealer as an underwriter of that security; and either

3. The securities qualify for inclusion on the list of foreign margin stocks compiled by the United States Federal Reserve Board and meet the requirements of [S]section[s] 220[:17].11(c)1-5 of Regulation T under the Securities Exchange Act of 1934; or

4. At the time of the transaction, either Moody's Investor Service, *Moody's International Manual* or Standard & Poor's Corporation Records contains a description of the issuer's business or operations, the names of the issuer's officers and directors or their corporate equivalents in the issuer's country of domicile, an audited balance sheet of the issuer as of a date within eighteen (18) months and audited profit and loss statements for each of the issuer's two (2) fiscal years immediately preceding that date; or

5. The security is senior in rank to the common stock of the issuer, both as to interest or dividends and upon liquidation, and the security has been outstanding in the hands of the public for at least five (5) years and the issuer has not defaulted during the current fis-

cal year or within the five (5) preceding years of the payment of principal, interest or dividend on the security;

(B) The exemption in subsection (1)(A) of this rule shall not be available for any security unless at the time of the transaction—

1. The security is a class which has been outstanding in the hands of the public for at least ninety (90) days;

2. The issuer of the security is a going concern actually engaged in business and not in the organizational stage or in bankruptcy or receivership;

3. The issuer of the security, including any predecessors, has been in continuous business or operations for at least five (5) years;

4. The issuer has net tangible assets, as reflected in the manual, of at least twenty (20) million dollars;

5. The issuer had an average net income after taxes, as reflected in the manual, of at least one (1) million dollars over the last three (3) years of operation; and

6. There are either two (2) or more authorized market makers for the issuer's securities in the United States, or at least one (1) market maker who is registered as a broker-dealer under the Securities Exchange Act of 1934 and has net capital of at least twenty-five (25) million dollars.; or]

[(C)](2) [Any offer or sale of a security that is listed on a securities exchange or automated quotation system located in a country whose laws have been determined by the commissioner to] In designating a foreign jurisdiction under section 409.2-202(23), RSMo the commissioner shall determine whether a foreign jurisdiction's laws provide substantially similar protection to investors as is provided by the Securities Exchange Act of 1934 with respect to securities listed on a national securities exchange in the United States. The exchange [on which the security is listed] in which designation is sought under this exemption shall file with the commissioner an undertaking to supply to him/her copies of public information in its files relating to any particular issuer whose securities are listed on the exchange if the commissioner requests such an undertaking. [The commissioner, pending an appropriate amendment to this rule, by order shall declare that an exchange has qualified for exemption pursuant to this rule. Any exchange approved by the commissioner shall be named in this rule.] The commissioner will determine upon application by any interested party whether the laws of any particular country meet the standards of this provision. [The commissioner has adopted the securities meeting the standards of the multijurisdiction disclosure system traded in the Toronto Stock Exchange and Montreal Stock Exchange.]

(3) For purposes of section 409.2-202(23), RSMo, the Montreal Stock Exchange is a designated securities exchange.

*AUTHORITY:* sections [409.402(c) and 409.413(a), RSMo 1986] 409.2-202(23), 409.2-203 and 409.6-605, RSMo Supp. 2003. Original rule filed March 27, 1989, effective June 12, 1989. Amended: Filed June 29, 1990, effective Dec. 31, 1990. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State**

**Chapter 54—Exemptions and Federal Covered Securities**

**EMERGENCY AMENDMENT**

**15 CSR 30-54.290 Canadian—United States Cross-Border Trading Exemption.** The commissioner is amending section (1).

**PURPOSE:** *The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

**EMERGENCY STATEMENT:** *This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 19, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) Any offer or sale of a security effected by a Canadian broker-dealer excluded from definition of broker-dealer pursuant to 15 CSR 30-51.180 is exempted from the securities registration requirements of section 409.3-301, RSMo.

**AUTHORITY:** *sections [409.402(c) and 409.413, RSMo 2000] 409.2-203 and 409.6-605, RSMo Supp. 2003. Original rule filed Dec. 28, 2001, effective July 30, 2002. Emergency amendment filed Aug. 19, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.010 Who May Request.** The commissioner is amending sections (1) and (2).

**PURPOSE:** *The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

**EMERGENCY STATEMENT:** *This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and changes reflected in the Missouri Securities Act of 2003. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.*

(1) Hearings Before Commissioner.

(A) Any person aggrieved by a [summary postponement or] suspension [of] or denial of an application summarily for a broker-dealer, agent, investment adviser, or investment adviser representative registration pursuant to section 409.[204(c)]4-412(f) may request a hearing before the commissioner. The hearing shall be governed by Chapter 536, RSMo.

(B) Any person aggrieved by the denial, suspension, postpone-ment or revocation of a securities registration summarily, or the denial or revocation of exemptions from registration may request a hearing before the commissioner. Pursuant to section 409.[412(a)]3-306(d) the hearing shall be governed by Chapter 536, RSMo.

(2) Hearings Before the Administrative Hearing Commission.

(A) Any person aggrieved by denial of a broker-dealer, agent, investment adviser, or investment adviser representative registration by the commissioner may file a petition with the Administrative Hearing Commission in accordance with section 409.[402(f)]4-412(j), RSMo.

(B) In matters involving the revocation or suspension of the registration of broker-dealers, agents, investment advisers, or investment adviser representatives under section 409.[204(a)]4-412(b), the Securities Division shall initiate the matter by submitting to the commissioner a petition for suspension or revocation and a proposed complaint for filing before the Administrative Hearing Commission. The commissioner may then refer the matter to the Administrative Hearing Commission in accordance with section 409.[204(f)]4-412(k), RSMo. The Securities Division or counsel for the commissioner may petition the Administrative Hearing Commission for findings of fact and conclusions of law to support grounds for disqualification under section 409.[204(a)]4-412(b) and/or (d). The Administrative Hearing Commission shall, after opportunity for hearing, issue findings of fact and conclusions of law. The matter shall then be referred back to the commissioner for consideration of sanctions and final order.

**AUTHORITY:** *sections [409.413,] 409.3-306(d), 409.4-412 and 409.6-605, RSMo Supp. 2003 and 409.836, RSMo 2000. Original rule filed June 25, 1968, effective Aug. 1, 1968. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS**  
**Division 30—Secretary of State**  
**Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.020 Instituting Hearing Before the Commissioner.** The commissioner is amending the Authority section.

**PURPOSE:** *The purpose of this amendment is to cite the proper authority and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

**EMERGENCY STATEMENT:** *This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the*



circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** sections [409.413] 409.605, RSMo Supp. 2003 and 409.836, RSMo 2000. Original rule filed Aug. 11, 1978, effective Feb. 11, 1979. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.025 General Prehearing Procedures.** The commissioner is amending the Authority section.

**PURPOSE:** The purpose of this amendment is to cite the proper authority and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** sections [409.413] 409.6-605, RSMo Supp. 2003 and 409.836, RSMo 2000. Original rule filed Nov. 1, 2001, effective May 30, 2002. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.030 Answers and Supplementary Pleadings.** The commissioner is amending the Authority section.

**PURPOSE:** The purpose of this amendment is to cite the proper authority and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** section [409.413, RSMo 2000] 409.6-605, RSMo Supp. 2003. Original rule filed Aug. 11, 1978, effective Feb. 11, 1979. Rescinded and readopted: Filed Nov. 1, 2001, effective May 30, 2002. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.040 Notice of Hearing.** The commissioner is amending the Authority section.

**PURPOSE:** The purpose of this amendment is to cite the proper authority and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** section [409.413, RSMo 2000] 409.6-605, RSMo Supp. 2003. Original rule filed Aug. 11, 1978, effective Feb. 11, 1979. Rescinded and readopted: Filed Nov. 1, 2001, effective May 30, 2002. Emergency amendment filed Aug. 29, 2003, effective Sept.

12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.050 Prehearing Conferences.** The commissioner is amending the Authority section.

*PURPOSE:* The purpose of this amendment is to cite the proper authority and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.

*AUTHORITY:* section [409.413, RSMo 2000] **409.6-605, RSMo Supp. 2003.** Original rule filed Aug. 11, 1978, effective Feb. 11, 1979. Rescinded and readopted: Filed Nov. 1, 2001, effective May 30, 2002. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.060 Public Hearing.** The commissioner is amending the Authority section.

*PURPOSE:* The purpose of this amendment is to cite the proper authority and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the

Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.

*AUTHORITY:* section [409.413, RSMo 1986] **409.6-605, RSMo Supp. 2003.** Original rule filed Aug. 11, 1978, effective Feb. 11, 1979. For intervening history, please consult the *Code of State Regulations*. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.070 Record of Hearing Before the Commissioner.** The commissioner is amending the Authority section.

*PURPOSE:* The purpose of this amendment is to cite the proper authority and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

*EMERGENCY STATEMENT:* This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.

*AUTHORITY:* section [409.413, RSMo 2000] **409.6-605, RSMo Supp. 2003.** Original rule filed Aug. 11, 1978, effective Feb. 11, 1979. Rescinded and readopted filed Nov. 1, 2001, effective May 30, 2002. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.080 Discovery.** The commissioner is amending the Authority section.

*PURPOSE:* The purpose of this amendment is to cite the proper authority and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** section [409.413, RSMo 2000] 409.6-605, RSMo Supp. 2003. Original rule filed Aug. 11, 1978, effective Feb. 11, 1979. Rescinded and readopted: Filed Nov. 1, 2001, effective May 30, 2002. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.090 Procedure at Hearing.** The commissioner is amending the Authority section.

**PURPOSE:** The purpose of this amendment is to cite the proper authority and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.

**AUTHORITY:** section [409.413, RSMo 2000] 409.6-605, RSMo Supp. 2003. Original rule filed Aug. 11, 1978, effective Feb. 11, 1979. Rescinded and readopted: Filed Nov. 1, 2001, effective May 30, 2002. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.100 Subpoenas.** The commissioner is amending section (5).

**PURPOSE:** The purpose of this amendment is to correct citations and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the *Missouri and United States Constitutions*. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.

(5) The commissioner shall apply to the circuit court for enforcement of subpoenas pursuant to sections 409.6-602 and 536.077, RSMo, except those issued under the provisions of section 409.820, RSMo. Subpoenas issued under the provisions of section 409.820, RSMo are governed by these provisions.

**AUTHORITY:** sections [409.413] 409.6-602 and 409.6-605, RSMo Supp. 2003 and 409.820, RSMo [1986] 2000. Original rule filed Aug. 11, 1978, effective Feb. 11, 1979. Amended: Filed Aug. 22, 1986, effective Jan. 30, 1987. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the *Missouri Register*.

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.110 Motions, Suggestions and Legal Briefs.** The commissioner is amending the Authority section.

**PURPOSE:** The purpose of this amendment is to cite the proper authority and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.

**EMERGENCY STATEMENT:** This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the *Missouri Register*. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the

*Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.*

*AUTHORITY: section [409.413, RSMo 2000] 409.6-605, RSMo Supp. 2003. Original rule filed Aug. 11, 1978, effective Feb. 11, 1979. Rescinded and readopted: Filed Nov. 1, 2001, effective May 30, 2002. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*

**Title 15—ELECTED OFFICIALS  
Division 30—Secretary of State  
Chapter 55—Hearings Under Securities Act**

**EMERGENCY AMENDMENT**

**15 CSR 30-55.220 Hearing Officers.** The commissioner is amending the Authority section.

*PURPOSE: The purpose of this amendment is to cite the proper authority and to bring the rule into compliance with the Missouri Securities Act of 2003 that became effective September 1, 2003.*

*EMERGENCY STATEMENT: This emergency amendment brings the rule into compliance with the Missouri Securities Act of 2003. This emergency amendment is necessary to protect the health, safety and welfare by correcting citations and citing the proper authority under the Missouri Securities Act of 2003. As a result, the Securities Division finds an immediate danger to the public health, safety and/or welfare and a compelling governmental interest, which requires this emergency action. A proposed amendment, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency amendment is limited to the circumstances creating the emergency and the procedures used by the Securities Division comply with the protections extended in the Missouri and United States Constitutions. The Securities Division believes that it used procedures best calculated to assure fairness to all interested persons and parties under the circumstances in that the emergency amendment is limited to citation changes and contains no substantive changes. This emergency amendment was filed August 29, 2003, effective September 12, 2003 and expires March 9, 2004.*

*AUTHORITY: section [409.413, RSMo 2000] 409.6-605, RSMo Supp. 2003. Original rule filed Aug. 3, 1992, effective April 8, 1993. Amended: Filed Nov. 1, 2001, effective May 30, 2002. Emergency amendment filed Aug. 29, 2003, effective Sept. 12, 2003, expires March 9, 2004. A proposed amendment covering this same material is published in this issue of the Missouri Register.*