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November 9, 2006

**NOTICE REGARDING CHANGES IN FLORIDA LAW RELATING
TO CANADIAN BROKER DEALERS**

Pursuant to an amendment to s. 517.12(17), Florida Statutes, which became effective October 1, 2006, broker dealers that are located in Canada and do not have an office or other physical presence in this state, are exempt from registration under s. 517.12, F.S., but are required to make a "Notice Filing" with the Office of Financial Regulation ("Office"). Existing registrations with the Office were effectively converted to a Notice Filing on October 1, 2006.

Canadian dealers that are Notice Filed with the Office may effect transactions in securities with or for, or induce or attempt to induce the purchase or sale of any security by:

1. a person from Canada who is present in this state and with whom the Canadian dealer had a bona fide dealer-client relationship before the person entered the United States; or
2. with a person from Canada who is present in this state and whose transactions are in a self-directed, tax-advantaged retirement plan in Canada of which the person is the holder or contributor.

Canadian dealers who are Notice Filed shall maintain their provincial or territorial registration and their membership in a self-regulatory organization or stock exchange, provide the Office with its books and records relating to its business in this state as a dealer upon request, provide the Office with notice of each civil, criminal, or administrative action initiated against the dealer upon request, disclose to its clients in this state that the dealer and its associated persons are not subject to the full regulatory requirements under this chapter, and correct any inaccurate information within 30 days after the information contained in the Notice Filing becomes inaccurate for any reason. A Notice Filing may be terminated by filing notice of termination with the Office. Unless the Canadian dealer specifies another date, such notice is effective upon receipt of the notice by the office.

A Notice Filing expires on December 31 of the year in which the filing becomes effective unless the Canadian dealer has renewed the filing on or before that date. A Canadian dealer may annually renew a Notice Filing by furnishing to the Office such information as the Office requires, together with a renewal fee of \$200 and the payment of any amount due and owing the Office pursuant to any agreement with the Office. Any Canadian dealer who has not renewed a notice filing by the time a current notice filing expires may request reinstatement of such Notice Filing by filing with the Office, on or before January 31 of the year following the year the Notice

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Filing expires, such information as the commission requires by rule, together with the payment of \$200 and a late fee of \$200. A reinstatement of a Notice Filing granted by the Office during the month of January is effective retroactively to January 1 of that year.

Associated persons of Canadian dealers eligible for Notice Filing are no longer required to register with the Office in order to provide brokerage services to existing clients who relocate to Florida, provided they are properly registered in their home jurisdiction. An associated person who represents a Canadian dealer who has made a Notice Filing under this subsection is exempt from the registration requirements of this section and may effect transactions in securities in this state as permitted for a dealer if such person is registered in the jurisdiction from which he or she is effecting transactions into this state. Additionally, an associated person representing a Canadian dealer who has made a Notice Filing under this subsection shall maintain provincial or territorial registration in good standing and provide the Office with notice of each civil, criminal, or administrative action initiated against such person upon request.

Should you have any questions regarding this issue, feel free to contact our office at (850) 410-9893.

Sincerely,

A handwritten signature in black ink that reads "Ryan S. Stokes". The signature is written in a cursive style with a large initial "R" and "S".

Ryan S. Stokes
Bureau of Regulatory Review
Division of Securities and Finance