



26 | entities and persons within a specified timeframe;  
 27 | revising requirements for such statement; deleting  
 28 | requirements for the escrow agreement; conforming  
 29 | provisions to changes made by the act; revising the  
 30 | amount that may be received for sales of certain  
 31 | securities; providing a limit on securities that may  
 32 | be sold by an issuer to an investor; deleting the  
 33 | requirement that an issuer file and provide a certain  
 34 | annual report; conforming cross-references; revising  
 35 | the duties of intermediaries under certain  
 36 | circumstances; providing obligations of issuers under  
 37 | certain circumstances; providing that certain sales  
 38 | are voidable within a specified timeframe; providing  
 39 | requirements for purchasers' notices to issuers to  
 40 | void purchases; deleting provisions relating to funds  
 41 | received from investors; creating s. 517.0612, F.S.;  
 42 | providing a short title; providing applicability;  
 43 | requiring that offers and sales of securities be in  
 44 | accordance with certain federal laws and rules;  
 45 | specifying certain requirements for issuers relating  
 46 | to the registration exemption; specifying a limitation  
 47 | on the amount of cash and other consideration that may  
 48 | be received from sales of certain securities made  
 49 | within a specified timeframe; prohibiting an issuer  
 50 | from accepting more than a specified amount from a

51 single purchaser under certain circumstances;  
 52 authorizing the issuer to engage in general  
 53 advertising and general solicitation of the offering  
 54 under certain circumstances; specifying that a certain  
 55 prohibition is enforceable under ch. 517, F.S.;  
 56 requiring that the purchaser receive a disclosure  
 57 statement within a specified timeframe; specifying the  
 58 requirements for such statement; requiring certain  
 59 funds to be deposited into certain bank and depository  
 60 institutions; prohibiting the issuer from withdrawing  
 61 any amount of the offering proceeds until the target  
 62 offering amount has been received; requiring the  
 63 issuer to file a notice of the offering in a certain  
 64 format within a specified timeframe; requiring the  
 65 issuer to file an amended notice within a specified  
 66 timeframe under certain circumstances; prohibiting  
 67 agents of issuers from engaging in certain acts under  
 68 certain circumstances; providing that sales made under  
 69 the exemption are voidable within a specified  
 70 timeframe; providing requirements for purchasers'  
 71 notices to issuers to void purchases; creating s.  
 72 517.0613, F.S.; providing construction; providing that  
 73 registration exemptions under certain provisions are  
 74 not available to issuers for certain transactions  
 75 under specified circumstances; providing registration

76 requirements; creating s. 517.0614, F.S.; specifying  
 77 criteria for determining integration of offerings for  
 78 the purpose of registration or qualifying for a  
 79 registration exemption; specifying certain  
 80 requirements for the integration of offerings for an  
 81 exempt offering for which general solicitation is  
 82 prohibited; specifying certain requirements for the  
 83 integration of offerings for two or more exempt  
 84 offerings that allow general solicitation; specifying  
 85 the circumstances under which integration analysis is  
 86 not required; creating s. 517.0615, F.S.; specifying  
 87 that certain communications are not deemed to  
 88 constitute general solicitation or general advertising  
 89 under specified circumstances; creating s. 517.0616,  
 90 F.S.; providing that registration exemptions under  
 91 certain provisions are not available to certain  
 92 issuers under a specified circumstance; amending s.  
 93 517.081, F.S.; revising the duties and authority of  
 94 the Financial Services Commission; authorizing the  
 95 commission to establish certain criteria relating to  
 96 the issuance of certain securities, trusts, and  
 97 investments; authorizing the commission to prescribe  
 98 certain forms and establish procedures for depositing  
 99 fees and filing documents and requirements and  
 100 standards relating to prospectuses, advertisements,

101 and other sales literature; revising the list of  
 102 issuers that are ineligible to submit simplified  
 103 offering circulars; deleting provisions that require  
 104 issuers to provide certain documents to the Office of  
 105 Financial Regulation under certain circumstances;  
 106 revising the requirements that must be met before the  
 107 office must record the registration of a security;  
 108 amending s. 517.101, F.S.; revising requirements for  
 109 written consent to service in certain suits,  
 110 proceedings, and actions; amending s. 517.131, F.S.;  
 111 defining the term "final judgment"; specifying the  
 112 purpose of the Securities Guaranty Fund; making  
 113 technical changes; revising eligibility for payment  
 114 from the fund; requiring eligible persons or receivers  
 115 seeking payment from the fund to file a certain  
 116 application with the office on a certain form;  
 117 authorizing the commission to adopt rules regarding  
 118 electronic filing of such application; specifying the  
 119 timeframe within which certain eligible persons or  
 120 receivers must file such application; providing  
 121 requirements for such applications; requiring the  
 122 office to approve applications for payment under  
 123 certain circumstances and to provide applicants with  
 124 certain notices within a specified timeframe;  
 125 requiring eligible persons or receivers to assign to

126 | the office all rights, titles, and interests in final  
 127 | judgments and orders of restitution equal to a  
 128 | specified amount under certain circumstances;  
 129 | requiring the office to deem an application for  
 130 | payment abandoned under certain circumstances;  
 131 | requiring that the time period to complete  
 132 | applications be tolled under certain circumstances;  
 133 | deleting provisions relating to specified notices to  
 134 | the office and to rulemaking authority; amending s.  
 135 | 517.141, F.S.; defining terms; revising the Securities  
 136 | Guaranty Fund disbursement amounts to which eligible  
 137 | persons are entitled; revising provisions regarding  
 138 | payment of aggregate claims; providing for the  
 139 | satisfaction of claims in the event of an insufficient  
 140 | balance in the fund; requiring payments and  
 141 | disbursements from the Securities Guaranty Fund to be  
 142 | made by the Chief Financial Officer or his or her  
 143 | authorized designee, upon authorization by the office;  
 144 | requiring such authorization to be submitted within a  
 145 | certain timeframe; deleting provisions regarding  
 146 | requirements for payment of claims; conforming  
 147 | provisions to changes made by the act; specifying the  
 148 | circumstances under which a claimant must reimburse  
 149 | the fund for payments received from the fund;  
 150 | providing penalties; authorizing the Department of

151 Financial Services, rather than the office, to  
 152 institute legal proceedings for certain compliance  
 153 enforcement and to recover certain interests, costs,  
 154 and fees; amending s. 517.191, F.S.; deleting an  
 155 obsolete term; revising the civil penalty amounts for  
 156 certain violations; authorizing the office to recover  
 157 certain costs and attorney fees; requiring that moneys  
 158 recovered be deposited in a specified trust fund;  
 159 specifying the liability of control persons; providing  
 160 an exception; specifying circumstances under which  
 161 certain persons are deemed to have violated ch. 517,  
 162 F.S.; authorizing the office to issue and serve cease  
 163 and desist orders and emergency cease and desist  
 164 orders under certain circumstances; authorizing the  
 165 office to impose and collect administrative fines for  
 166 certain violations; specifying the disposition of such  
 167 fines; authorizing the office to bar applications or  
 168 notifications for licenses and registrations under  
 169 certain circumstances; conforming cross-references;  
 170 providing construction; specifying jurisdiction of the  
 171 courts relating to the sale or offer of certain  
 172 securities; making technical changes; amending s.  
 173 517.211, F.S.; providing for joint and several  
 174 liability of control persons in certain circumstances  
 175 for the purposes of specified actions; specifying the

176 date on which certain interest begins accruing in an  
 177 action for rescission; providing construction;  
 178 specifying that certain civil remedies extend to  
 179 purchasers or sellers of securities; making technical  
 180 changes; repealing s. 517.221, F.S., relating to cease  
 181 and desist orders; repealing s. 517.241, F.S.,  
 182 relating to remedies; amending s. 517.301, F.S.;  
 183 revising the circumstances under which certain  
 184 activities are considered unlawful and violations of  
 185 law; conforming provisions to changes made by the act;  
 186 revising the definition of the term "investment";  
 187 specifying that certain misrepresentations by persons  
 188 issuing or selling securities are unlawful; specifying  
 189 that certain misrepresentations by persons registered  
 190 or required to be registered under certain provisions  
 191 or subject to certain requirements are unlawful;  
 192 specifying that obtaining money or property in  
 193 connection with the offer or sale of an investment is  
 194 unlawful under certain conditions; providing  
 195 construction; requiring disclaimers for certain  
 196 statements; making technical changes; repealing s.  
 197 517.311, F.S., relating to false representations,  
 198 deceptive words, and enforcement; repealing s.  
 199 517.312, F.S., relating to securities, investments,  
 200 and boiler rooms, prohibited practices, and remedies;



201 amending ss. 517.072 and 517.12, F.S.; conforming  
 202 cross-references and making technical changes;  
 203 amending ss. 517.1201 and 517.1202, F.S.; conforming  
 204 cross-references; amending s. 517.302, F.S.;  
 205 conforming a provision to changes made by the act and  
 206 making a technical change; providing an effective  
 207 date.

208

209 Be It Enacted by the Legislature of the State of Florida:

210

211 Section 1. Present subsections (3), (4), and (5) and  
 212 subsections (6) through (25) of section 517.021, Florida  
 213 Statutes, are redesignated as subsections (4), (5), and (6) and  
 214 subsections (8) through (27), respectively, new subsections (3)  
 215 and (7) are added to that section, and subsection (1) and  
 216 present subsections (4), (8), (9), and (14) of that section are  
 217 amended, to read:

218 517.021 Definitions.—When used in this chapter, unless the  
 219 context otherwise indicates, the following terms have the  
 220 following respective meanings:

221 (1) "Accredited investor" shall be defined by rule of the  
 222 commission in accordance with Securities and Exchange Commission  
 223 Rule 501, 17 C.F.R. s. 230.501, as amended.

224 (3) "Angel investor group" means a group of accredited  
 225 investors who hold regular meetings and have defined processes

226 and procedures for making investment decisions, individually or  
 227 among the membership of the group, and who are not associated  
 228 persons, affiliates, or agents of a dealer or investment  
 229 adviser.

230 (5)-(4) "Boiler room" means an enterprise in which two or  
 231 more persons in a common scheme or enterprise solicit potential  
 232 investors through telephone calls, e-mail, text messages, social  
 233 media, chat rooms, or other electronic means ~~engage in telephone~~  
 234 ~~communications with members of the public using two or more~~  
 235 ~~telephones at one location, or at more than one location in a~~  
 236 ~~common scheme or enterprise.~~

237 (7) "Business entity" means any corporation, partnership,  
 238 limited partnership, limited liability company, proprietorship,  
 239 firm, enterprise, franchise, association, self-employed  
 240 individual, or trust, which may or may not be fictitiously  
 241 named, doing business in this state.

242 (10) (a)-(8) "Dealer" includes, unless otherwise specified,  
 243 a person, other than an associated person of a dealer, that  
 244 engages, for all or part of the person's time, directly or  
 245 indirectly, as agent or principal in the business of offering,  
 246 buying, selling, or otherwise dealing or trading in securities  
 247 issued by another person.

248 (b) The term "dealer" does not include any of the  
 249 following:

250 1.(a) A licensed practicing attorney who renders or

251 performs any such services in connection with the regular  
 252 practice of the attorney's profession.

253 ~~2.(b)~~ A bank authorized to do business in this state,  
 254 except nonbank subsidiaries of a bank.

255 ~~3.(e)~~ A trust company having trust powers that it is  
 256 authorized to exercise in this state, which renders or performs  
 257 services in a fiduciary capacity incidental to the exercise of  
 258 its trust powers.

259 ~~4.(d)~~ A wholesaler selling exclusively to dealers.

260 ~~5.(e)~~ A person buying and selling for the person's own  
 261 account exclusively through a registered dealer or stock  
 262 exchange.

263 ~~6.(f)~~ An issuer.

264 ~~7.(g)~~ A natural person representing an issuer in the  
 265 purchase, sale, or distribution of the issuer's own securities  
 266 if such person:

267 ~~a.1.~~ Is an officer, a director, a limited liability  
 268 company manager or managing member, or a bona fide employee of  
 269 the issuer;

270 ~~b.2.~~ Has not participated in the distribution or sale of  
 271 securities for any issuer for which such person was, within the  
 272 preceding 12 months, an officer, a director, a limited liability  
 273 company manager or managing member, or a bona fide employee;

274 ~~c.3.~~ Primarily performs, or is intended to perform at the  
 275 end of the distribution, substantial duties for, or on behalf

276 of, the issuer other than in connection with transactions in  
 277 securities; and

278 d.4. Does not receive a commission, compensation, or other  
 279 consideration for the completed sale of the issuer's securities  
 280 apart from the compensation received for regular duties to the  
 281 issuer.

282 (11)-(9) "Federal covered adviser" means a person that is  
 283 registered or required to be registered under s. 203 of the  
 284 Investment Advisers Act of 1940, as amended. The term does not  
 285 include any person that is excluded from the definition of  
 286 investment adviser under subparagraphs (16) (b)1.-7. and 9  
 287 ~~(14) (b)1.-8.~~

288 (16) (a)-(14)-(a) "Investment adviser" means a person, other  
 289 than an associated person of an investment adviser or a federal  
 290 covered adviser, that receives compensation, directly or  
 291 indirectly, and engages for all or part of the person's time,  
 292 directly or indirectly, or through publications or writings, in  
 293 the business of advising others as to the value of securities or  
 294 as to the advisability of investments in, purchasing of, or  
 295 selling of securities.

296 (b) The term does not include any of the following:

297 1. A dealer or an associated person of a dealer whose  
 298 performance of services in paragraph (a) is solely incidental to  
 299 the conduct of the dealer's or associated person's business as a  
 300 dealer and who does not receive special compensation for those

301 services.

302 2. A licensed practicing attorney or certified public  
 303 accountant whose performance of such services is solely  
 304 incidental to the practice of the attorney's or accountant's  
 305 profession.

306 3. A bank authorized to do business in this state.

307 4. A bank holding company as defined in the Bank Holding  
 308 Company Act of 1956, as amended, authorized to do business in  
 309 this state.

310 5. A trust company having trust powers, as defined in s.  
 311 658.12, which it is authorized to exercise in this state, which  
 312 trust company renders or performs investment advisory services  
 313 in a fiduciary capacity incidental to the exercise of its trust  
 314 powers.

315 6. A person that renders investment advice exclusively to  
 316 insurance or investment companies.

317 7. A person that, during the preceding 12 months, has  
 318 fewer than six clients who are residents of this state. As used  
 319 in this subparagraph, the term "client" has the same meaning as  
 320 provided in Securities and Exchange Commission Rule 275.222-2,  
 321 17 C.F.R. s. 275.222-2, as amended ~~does not hold itself out to~~  
 322 ~~the general public as an investment adviser and has no more than~~  
 323 ~~15 clients within 12 consecutive months in this state.~~

324 8. ~~A person whose transactions in this state are limited~~  
 325 ~~to those transactions described in s. 222(d) of the Investment~~

326 ~~Advisers Act of 1940, as amended. Those clients listed in~~  
 327 ~~subparagraph 6. may not be included when determining the number~~  
 328 ~~of clients of an investment adviser for purposes of s. 222(d) of~~  
 329 ~~the Investment Advisers Act of 1940, as amended.~~

330 ~~9. A federal covered adviser.~~

331 9. The United States, a state, or any political  
 332 subdivision of a state, or any agency, authority, or  
 333 instrumentality of any such entity; a business entity that is  
 334 wholly owned directly or indirectly by such a governmental  
 335 entity; or any officer, agent, or employee of any such  
 336 governmental or business entity who is acting within the scope  
 337 of his or her official duties.

338 Section 2. Present subsections (9) and (10) of section  
 339 517.051, Florida Statutes, are redesignated as subsections (10)  
 340 and (11), respectively, and amended, a new subsection (9) is  
 341 added to that section, and subsections (1), (3), (4), and (8) of  
 342 that section are amended, to read:

343 517.051 Exempt securities.—The exemptions provided herein  
 344 from the registration requirements of s. 517.07 are self-  
 345 executing and do not require any filing with the office prior to  
 346 claiming such exemption. Any person who claims entitlement to  
 347 any of these exemptions bears the burden of proving such  
 348 entitlement in any proceeding brought under this chapter. The  
 349 registration provisions of s. 517.07 do not apply to any of the  
 350 following securities:

351 (1) A security issued or guaranteed by the United States  
 352 or any territory or insular possession of the United States, by  
 353 the District of Columbia, or by any state of the United States  
 354 or by any political subdivision or agency or other  
 355 instrumentality thereof; ~~provided that~~

356 (a) Except as provided in paragraph (b), a ~~no~~ person may  
 357 not shall directly or indirectly offer or sell securities, other  
 358 than general obligation bonds, described under this subsection  
 359 if the issuer or guarantor is in default or has been in default  
 360 any time after December 31, 1975, as to principal or interest:

361 1.(a) With respect to an obligation issued by the issuer  
 362 or successor of the issuer; or

363 2.(b) With respect to an obligation guaranteed by the  
 364 guarantor or successor of the guarantor,

365  
 366 except by an offering circular containing a full and fair  
 367 disclosure as prescribed by rule of the commission.

368 (b) Paragraph (a) does not apply to a security that is an  
 369 industrial or commercial development bond unless payments are  
 370 made or unconditionally guaranteed by a person whose securities  
 371 are exempt from registration under s. 18(b)(1) of the Securities  
 372 Act of 1933, as amended.

373 (3) A security issued by and which represents or will  
 374 represent an interest in or a direct obligation of or be  
 375 guaranteed by any of the following:

376 (a) An international bank of which the United States is a  
 377 member.

378 (b) A bank organized under the laws of the United States.

379 (c) A member bank of the Federal Reserve System.

380 (d) A depository institution, when a substantial portion  
 381 of its business consists of or will consist of receiving  
 382 deposits or share accounts that are insured to the maximum  
 383 amount authorized by statute by the Federal Deposit Insurance  
 384 Corporation or the National Credit Union Share Insurance Fund ~~or~~  
 385 guaranteed by:

386 ~~(a) A national bank, a federally chartered savings and~~  
 387 ~~loan association, or a federally chartered savings bank, or the~~  
 388 ~~initial subscription for equity securities in such national~~  
 389 ~~bank, federally chartered savings and loan association, or~~  
 390 ~~federally chartered savings bank;~~

391 ~~(b) Any federal land bank, joint-stock land bank, or~~  
 392 ~~national farm loan association under the provisions of the~~  
 393 ~~Federal Farm Loan Act of July 17, 1916;~~

394 ~~(c) An international bank of which the United States is a~~  
 395 ~~member; or~~

396 ~~(d) A corporation created and acting as an instrumentality~~  
 397 ~~of the government of the United States.~~

398 (4) A security issued or guaranteed, as to principal,  
 399 interest, or dividend, by a business entity ~~corporation~~ owning  
 400 or operating a railroad, another common carrier, or any other



401 public service utility; provided that such business entity  
 402 ~~corporation~~ is subject to regulation or supervision whether as  
 403 to its rates and charges or as to the issue of its own  
 404 securities by a public commission, board, or officer of the  
 405 government of the United States, of any state, territory, or  
 406 insular possession of the United States, of any municipality  
 407 located therein, of the District of Columbia, or of the Dominion  
 408 of Canada or of any province thereof; also equipment securities  
 409 based on chattel mortgages, leases, or agreements for  
 410 conditional sale of cars, motive power, or other rolling stock  
 411 mortgaged, leased, or sold to or furnished for the use of or  
 412 upon such railroad or other public service utility corporation  
 413 or where the ownership or title of such equipment is pledged or  
 414 retained in accordance with ~~the provisions of~~ the laws of the  
 415 United States or of any state or of the Dominion of Canada to  
 416 secure the payment of such equipment securities; and also bonds,  
 417 notes, or other evidences of indebtedness issued by a holding  
 418 corporation and secured by collateral consisting of any  
 419 securities hereinabove described; provided, further, that the  
 420 collateral securities equal in fair value at least 125 percent  
 421 of the par value of the bonds, notes, or other evidences of  
 422 indebtedness so secured.

423 (8) Shares or other equity interests of a business entity  
 424 which represent ownership or entitle the holders of such shares  
 425 or other equity interests to possession and occupancy of

426 specific apartment units in property owned by such business  
 427 entity and organized and operated on a cooperative basis, solely  
 428 for residential purposes ~~A note, draft, bill of exchange, or~~  
 429 ~~banker's acceptance having a unit amount of \$25,000 or more~~  
 430 ~~which arises out of a current transaction, or the proceeds of~~  
 431 ~~which have been or are to be used for current transactions, and~~  
 432 ~~which has a maturity period at the time of issuance not~~  
 433 ~~exceeding 9 months exclusive of days of grace, or any renewal~~  
 434 ~~thereof which has a maturity period likewise limited. This~~  
 435 ~~subsection applies only to prime quality negotiable commercial~~  
 436 ~~paper of a type not ordinarily purchased by the general public;~~  
 437 ~~that is, paper issued to facilitate well-recognized types of~~  
 438 ~~current operational business requirements and of a type eligible~~  
 439 ~~for discounting by Federal Reserve banks.~~

440 (9) A member's or owner's interest in, or a retention  
 441 certificate or like security given in lieu of a cash patronage  
 442 dividend issued by, a not-for-profit membership entity operated  
 443 either as a cooperative under the cooperative laws of a state or  
 444 in accordance with the cooperative provisions of subchapter T of  
 445 chapter 1 of subtitle A of the United States Internal Revenue  
 446 Code, as amended, but not a member's or owner's interest,  
 447 retention certificate, or like security sold or transferred to a  
 448 person other than:

449 (a) A bona fide member of the not-for-profit membership  
 450 entity; or

451 (b) A person who becomes a bona fide member of the not-  
 452 for-profit membership entity at the time of or in connection  
 453 with the sale or transfer.

454 (10)-(9) A security issued by a business entity ~~corporation~~  
 455 organized and operated exclusively for religious, educational,  
 456 benevolent, fraternal, charitable, or reformatory purposes and  
 457 not for pecuniary profit, no part of the net earnings of which  
 458 ~~corporation~~ inures to the benefit of any private stockholder or  
 459 individual, or any security of a fund that is excluded from the  
 460 definition of an investment company under s. 3(c)(10)(B) of the  
 461 Investment Company Act of 1940, as amended; provided that a ~~no~~  
 462 person may not ~~shall~~ directly or indirectly offer or sell  
 463 securities under this subsection except by an offering circular  
 464 containing full and fair disclosure, as prescribed by the rules  
 465 of the commission, of all material information, including, but  
 466 not limited to, a description of the securities offered and  
 467 terms of the offering, a description of the nature of the  
 468 issuer's business, a statement of the purpose of the offering  
 469 and the intended application by the issuer of the proceeds  
 470 thereof, and financial statements of the issuer prepared in  
 471 conformance with United States generally accepted accounting  
 472 principles. Section 6(c) of the Philanthropy Protection Act of  
 473 1995, Pub. L. No. 104-62, does ~~shall~~ not preempt any provision  
 474 of this chapter.

475 (11)-(10) Any insurance or endowment policy or annuity

476 contract or optional annuity contract or self-insurance  
 477 agreement issued by a business entity ~~corporation~~, insurance  
 478 company, reciprocal insurer, or risk retention group subject to  
 479 the supervision of the insurance regulator or bank regulator, or  
 480 any agency or officer performing like functions, of any state or  
 481 territory of the United States or the District of Columbia.

482 Section 3. Section 517.061, Florida Statutes, is amended  
 483 to read:

484 (Substantial rewording of section. See  
 485 s. 517.061, F.S., for present text.)

486 517.061 Exempt transactions.—Except as otherwise provided  
 487 in subsection (11), the exemptions provided herein from the  
 488 registration requirements of s. 517.07 are self-executing and do  
 489 not require any filing with the office before being claimed. Any  
 490 person who claims entitlement to an exemption under this section  
 491 bears the burden of proving such entitlement in any proceeding  
 492 brought under this chapter. The registration provisions of s.  
 493 517.07 do not apply to any of the following transactions;  
 494 however, such transactions are subject to s. 517.301:

495 (1)(a) Any judicial sale or any sale by an executor, an  
 496 administrator, a guardian, or a conservator; any sale by a  
 497 receiver or trustee in insolvency or bankruptcy; any sale by an  
 498 assignee as defined in s. 727.103 with respect to an assignment  
 499 as defined in that section; or any transaction incident to a  
 500 judicially approved reorganization in which a security is issued

501 in exchange for one or more outstanding securities, claims, or  
 502 property interests.

503 (b) Except for a security exchanged in a case brought  
 504 under Title 11 of the United States Code, a security that is  
 505 issued in exchange for one or more bona fide outstanding  
 506 securities, claims, or property interests, or partly in such  
 507 exchange and partly for cash, if the terms and conditions of  
 508 such issuance and exchange are approved:

509 1. By a court, an official or agency of the United States,  
 510 a banking or insurance commission of a state or territory of the  
 511 United States, or another governmental authority expressly  
 512 authorized by law to grant such approval.

513 2. After a hearing upon the fairness of such terms and  
 514 conditions and at which all persons to whom issuance of  
 515 securities in such exchange is proposed have the right to  
 516 appear.

517 (2) The issuance of notes or bonds in connection with the  
 518 acquisition of real property or renewals thereof, if such notes  
 519 or bonds are issued to the sellers of, and are secured by all or  
 520 part of, the real property so acquired.

521 (3) A transaction involving a stock dividend or equivalent  
 522 equity distribution, regardless of whether the business entity  
 523 distributing the dividend or equivalent equity distribution is  
 524 the issuer, if nothing of value is given by stockholders or  
 525 other equity holders for the dividend or equivalent equity

526 distribution other than the surrender of a right to a cash or  
527 property dividend in the event that each stockholder or other  
528 equity holder may elect to take the dividend or equivalent  
529 equity distribution in cash, property, or stock.

530 (4) A transaction under an offer to existing security  
531 holders of the issuer, including persons that at the date of the  
532 transaction are holders of convertible securities, options, or  
533 warrants, if a commission or other remuneration is not paid or  
534 given, directly or indirectly, for soliciting a security holder  
535 in this state.

536 (5) The issuance of securities to such equity security  
537 holders or creditors of a business entity in the process of a  
538 reorganization of such business entity, made in good faith and  
539 not for the purpose of evading this chapter, either in exchange  
540 for the securities of such equity security holders or claims of  
541 such creditors or partly for cash and partly in exchange for the  
542 securities or claims of such equity security holders or  
543 creditors.

544 (6) A transaction involving the distribution of the  
545 securities of an issuer to the security holders of another  
546 person in connection with a merger, consolidation, exchange of  
547 securities, sale of assets, or other reorganization to which the  
548 issuer, or the issuer's parent or subsidiary, and the other  
549 person, or the person's parent or subsidiary, are parties.

550 (7) The offer or sale of securities, solely in connection

551 with the transfer of ownership of an eligible privately held  
552 company, through a merger and acquisition broker in accordance  
553 with s. 517.12(21).

554 (8) The offer or sale of securities under a bona fide  
555 employee stock purchase, savings, option, profit-sharing,  
556 pension, or similar employee benefit plan, including any  
557 securities, plan interests, and guarantees issued under a  
558 compensatory benefit plan or compensation contract, contained in  
559 a record, established by the issuer, its parents, its majority-  
560 owned subsidiaries, or the majority-owned subsidiaries of the  
561 issuer's parent for the participation of their employees. This  
562 includes offers or sales of such securities to all of the  
563 following persons:

564 (a) Directors, managers, managing members, general  
565 partners, officers, consultants, and advisors.

566 (b) If the issuer is a business trust, trustees and former  
567 trustees.

568 (c) Family members who acquire such securities from  
569 persons described in this section through gifts or domestic  
570 relations orders.

571 (d) Former employees, directors, managers, managing  
572 members, general partners, officers, consultants, and advisors,  
573 if those individuals were employed by or providing services to  
574 the issuer when the securities were offered.

575 (e) Insurance agents who are exclusive insurance agents of

576 the issuer, or of the issuer's parents or subsidiaries, or who  
 577 derive more than 50 percent of their annual income from such  
 578 persons.

579 (9) The offer or sale of securities to a bank, trust  
 580 company, savings institution, insurance company, dealer,  
 581 investment company as defined in the Investment Company Act of  
 582 1940, 15 U.S.C. s. 80a-3, as amended, pension or profit-sharing  
 583 trust, or qualified institutional buyer, whether any of such  
 584 entities is acting in its individual or fiduciary capacity.

585 (10) (a) The offer or sale, by or on behalf of an issuer,  
 586 of its own securities if the offer or sale is part of an  
 587 offering made in accordance with all of the following  
 588 conditions:

589 1. There are no more than 35 purchasers, or the issuer  
 590 reasonably believes that there are no more than 35 purchasers,  
 591 of the securities of the issuer in this state during an offering  
 592 made in reliance upon this subsection or, if such offering  
 593 continues for a period in excess of 12 months, in any  
 594 consecutive 12-month period.

595 2. Neither the issuer nor any person acting on behalf of  
 596 the issuer offers or sells securities pursuant to this  
 597 subsection by means of any form of general solicitation or  
 598 general advertising in this state.

599 3. Before the sale, each purchaser or the purchaser's  
 600 representative, if any, is provided with, or given reasonable



601 access to, full and fair disclosure of all material information,  
602 which must include written notification of a purchaser's right  
603 to void the sale under subparagraph 4.

604 4. Any sale made pursuant to this subsection is voidable  
605 by the purchaser within 3 days after the first tender of  
606 consideration is made by such purchaser to the issuer by  
607 notifying the issuer that the purchaser expressly voids the  
608 purchase. The purchaser's notice to the issuer must be sent by  
609 e-mail to the issuer's e-mail address set forth in the  
610 disclosure document provided to the purchaser or purchaser's  
611 representative or by hand delivery, courier service, or other  
612 method by which written proof of delivery to the issuer of the  
613 purchaser's election to rescind the purchase is evidenced.

614 (b) The following purchasers are excluded from the  
615 calculation of the number of purchasers under subparagraph  
616 (a)1.:

617 1. Any spouse or child of the purchaser or any related  
618 family member who has the same principal residence as such  
619 purchaser.

620 2. A trust or estate in which a purchaser, any of the  
621 persons related to such purchaser specified in subparagraph 1.,  
622 and any business entity specified in subparagraph 3.  
623 collectively have more than 50 percent of the beneficial  
624 interest, excluding any contingent interest.

625 3. A business entity in which a purchaser, any of the

626 persons related to such purchaser specified in subparagraph 1.,  
627 and any trust or estate specified in subparagraph 2.  
628 collectively are beneficial owners of more than 50 percent of  
629 the equity securities or equity interest.

630 4. An accredited investor.

631  
632 A business entity must be counted as one purchaser. However, if  
633 the business entity is organized for the specific purpose of  
634 acquiring the securities offered and is not an accredited  
635 investor, each beneficial owner of equity securities or equity  
636 interests in the business entity must be counted as a separate  
637 purchaser. A noncontributory employee benefit plan within the  
638 meaning of Title I of the Employee Retirement Income Security  
639 Act of 1974 must be counted as one purchaser if the trustee  
640 makes all investment decisions for the plan.

641 (11) Offers or sales of securities by an issuer in a  
642 transaction that meets all of the following conditions:

643 (a) The offers or sales of securities are made only to  
644 persons who are, or who the issuer reasonably believes are,  
645 accredited investors.

646 (b) The issuer is not a business entity that has an  
647 undefined business operation, lacks a business plan, lacks a  
648 stated investment goal for the funds being raised, or plans to  
649 engage in a merger or acquisition with an unspecified business  
650 entity.

651 (c) The issuer reasonably believes that all purchasers are  
 652 purchasing for investment and not with the view to or for sale  
 653 in connection with a distribution of the security. Any resale of  
 654 a security sold in reliance on this exemption within 12 months  
 655 after sale is presumed to be with a view to distribution and not  
 656 for investment, except a resale pursuant to a registration  
 657 statement effective under this chapter or pursuant to an  
 658 exemption available under this chapter, the Securities Act of  
 659 1933, as amended, or the rules and regulations adopted  
 660 thereunder.

661 (d)1. A general announcement of the proposed offering,  
 662 made by any means, includes only the following information:

663 a. The name, address, and telephone number of the issuer  
 664 of the securities.

665 b. The name, a brief description, and price, if known, of  
 666 any security to be issued.

667 c. A brief description of the business.

668 d. The type, number, and aggregate amount of securities  
 669 being offered.

670 e. The name, address, and telephone number of the person  
 671 to contact for additional information.

672 f. A statement that:

673 (I) Sales will be made only to accredited investors;

674 (II) Money or other consideration is not being solicited  
 675 and will not be accepted by way of this general announcement;

676 and

677 (III) The securities have not been registered with or  
 678 approved by any state securities agency or the Securities and  
 679 Exchange Commission and are being offered and sold pursuant to  
 680 an exemption from registration.

681 2. The issuer, in connection with an offer, may provide  
 682 information in addition to the information provided in the  
 683 general announcement as specified in subparagraph 1. if such  
 684 information is delivered:

685 a. Through an electronic database that is restricted to  
 686 persons who have been prequalified as accredited investors; or

687 b. After the issuer reasonably believes that the  
 688 prospective purchaser is an accredited investor.

689 (e) The issuer does not use telephone solicitation unless,  
 690 before placing the call, the issuer reasonably believes that the  
 691 prospective purchaser to be solicited is an accredited investor.

692 (f) The issuer files with the office a notice of  
 693 transaction, a consent to service of process, and a copy of the  
 694 general announcement within 15 days after the first sale is made  
 695 in this state. The commission may adopt by rule procedures for  
 696 filing documents by electronic means.

697 (g) Dissemination of the general announcement of the  
 698 proposed offering to persons who are not accredited investors  
 699 does not disqualify the issuer from claiming the exemption under  
 700 this subsection.

701 (12) The isolated sale or offer for sale of securities  
 702 when made by or on behalf of a bona fide owner, not the issuer  
 703 or underwriter, of the securities, who disposes of such  
 704 securities for the owner's own account, and such sale is not  
 705 made directly or indirectly for the benefit of the issuer or an  
 706 underwriter of such securities or for the direct or indirect  
 707 promotion of any scheme or enterprise with the intent of  
 708 violating or evading this chapter. For purposes of this  
 709 subsection, isolated offers or sales include, but are not  
 710 limited to, an isolated offer or sale made by or on behalf of a  
 711 bona fide owner, rather than the issuer or underwriter, of the  
 712 securities if:

713 (a) The offer or sale of securities is in a transaction  
 714 satisfying all of the conditions specified in subparagraphs  
 715 (10) (a) 1., 2., and 3. and paragraph (10) (b); or

716 (b) The offer or sale of securities is in a transaction  
 717 exempt under s. 4(a) (1) of the Securities Act of 1933, as  
 718 amended, or under Securities and Exchange Commission rules or  
 719 regulations.

720 (13) By or for the account of a pledgeholder, a secured  
 721 party as defined in s. 679.1021(1)(ttt), or a mortgagee selling  
 722 or offering for sale or delivery in the ordinary course of  
 723 business and not for the purposes of avoiding the provisions of  
 724 this chapter, to liquidate a bona fide debt, a security pledged  
 725 in good faith as security for such debt.

726       (14) An unsolicited purchase or sale of securities on  
 727 order of, and as the agent for, another solely and exclusively  
 728 by a dealer registered pursuant to s. 517.12; provided that this  
 729 exemption applies solely and exclusively to such registered  
 730 dealers and does not authorize or permit the purchase or sale of  
 731 securities at the direction of, and as agent for, another by any  
 732 person other than a dealer so registered; and provided further  
 733 that such purchase or sale may not be directly or indirectly for  
 734 the benefit of the issuer or an underwriter of such securities  
 735 or for the direct or indirect promotion of any scheme or  
 736 enterprise with the intent of violating or evading this chapter.

737       (15) A nonissuer transaction with a federal covered  
 738 adviser with investments under management in excess of \$100  
 739 million acting in the exercise of discretionary authority in a  
 740 signed record for the account of others.

741       (16) The sale by or through a registered dealer of any  
 742 securities option if, at the time of the sale of the option:

743       (a) The performance of the terms of the option is  
 744 guaranteed by any dealer registered under the Securities  
 745 Exchange Act of 1934, as amended, which guaranty and dealer are  
 746 in compliance with such requirements or rules as may be approved  
 747 or adopted by the commission; or

748       (b)1. Such options transactions are cleared by the Options  
 749 Clearing Corporation or any other clearinghouse recognized by  
 750 commission rule;

751           2. The option is not sold by or for the benefit of the  
 752 issuer of the underlying security; and

753           3. The underlying security may be purchased or sold on a  
 754 recognized securities exchange registered under the Securities  
 755 Exchange Act of 1934, as amended.

756           (17) (a) The offer or sale of securities, as agent or  
 757 principal, by a dealer registered pursuant to s. 517.12, when  
 758 such securities are offered or sold at a price reasonably  
 759 related to the current market price of such securities, provided  
 760 that such securities are:

761           1. Securities of an issuer for which reports are required  
 762 to be filed by s. 13 or s. 15(d) of the Securities Exchange Act  
 763 of 1934, as amended;

764           2. Securities of a company registered under the Investment  
 765 Company Act of 1940, as amended;

766           3. Securities of an insurance company, as that term is  
 767 defined in s. 2(a)(17) of the Investment Company Act of 1940, as  
 768 amended; or

769           4. Securities, other than any security that is a federal  
 770 covered security and is not subject to any registration or  
 771 filing requirements under this chapter, that have been listed or  
 772 approved for listing upon notice of issuance by a securities  
 773 exchange registered under the Securities Exchange Act of 1934,  
 774 as amended; and all securities senior to any securities so  
 775 listed or approved for listing upon notice of issuance, or

776 represented by subscription rights which have been so listed or  
 777 approved for listing upon notice of issuance, or evidences of  
 778 indebtedness guaranteed by an issuer with a class of securities  
 779 listed or approved for listing upon notice of issuance by such  
 780 securities exchange, such securities to be exempt only so long  
 781 as such listings or approvals remain in effect. The exemption  
 782 provided in this subparagraph does not apply when the securities  
 783 are suspended from listing approval for listing or trading.

784 (b) The exemption provided in this subsection does not  
 785 apply if the sale is made for the direct or indirect benefit of  
 786 an issuer or a control person of such issuer or if such  
 787 securities constitute the whole or part of an unsold allotment  
 788 to, or subscription or participation by, a dealer as an  
 789 underwriter of such securities.

790 (c) The exemption provided in this subsection is not  
 791 available for any securities that have been denied registration  
 792 pursuant to s. 517.111. Additionally, the office may deny this  
 793 exemption with reference to any particular security, other than  
 794 a federal covered security, by order published in such manner as  
 795 the office finds proper.

796 (18) Any nonissuer transaction by a registered dealer, and  
 797 any resale transaction by a sponsor of a unit investment trust  
 798 registered under the Investment Company Act of 1940, as amended,  
 799 in a security of a class that has been outstanding in the hands  
 800 of the public for at least 90 days; provided that, at the time



801 of the transaction, the following conditions in paragraphs (a),  
 802 (b), and (c) and either paragraph (d) or paragraph (e) are met:

803 (a) The issuer of the security is actually engaged in  
 804 business and is not in the organizational stage or in bankruptcy  
 805 or receivership and is not a blank check, blind pool, or shell  
 806 company whose primary plan of business is to engage in a merger  
 807 or combination of the business with, or an acquisition of, an  
 808 unidentified person.

809 (b) The security is sold at a price reasonably related to  
 810 the current market price of the security.

811 (c) The security does not constitute the whole or part of  
 812 an unsold allotment to, or a subscription or participation by,  
 813 the dealer as an underwriter of the security.

814 (d) The security is listed in a nationally recognized  
 815 securities manual designated by rule of the commission or a  
 816 document filed with and publicly viewable through the Securities  
 817 and Exchange Commission electronic data gathering and retrieval  
 818 system and contains:

819 1. A description of the business and operations of the  
 820 issuer;

821 2. The names of the issuer's officers and directors, if  
 822 any, or, in the case of an issuer not domiciled in the United  
 823 States, the corporate equivalents of such persons in the  
 824 issuer's country of domicile;

825 3. An audited balance sheet of the issuer as of a date

826 within 18 months before such transaction or, in the case of a  
827 reorganization or merger in which parties to the reorganization  
828 or merger had such audited balance sheet, a pro forma balance  
829 sheet; and

830 4. An audited income statement for each of the issuer's  
831 immediately preceding 2 fiscal years, or for the period of  
832 existence of the issuer, if in existence for less than 2 years  
833 or, in the case of a reorganization or merger in which the  
834 parties to the reorganization or merger had such audited income  
835 statement, a pro forma income statement.

836 (e)1. The issuer of the security has a class of equity  
837 securities listed on a national securities exchange registered  
838 under the Securities Exchange Act of 1934, as amended;

839 2. The class of security is quoted, offered, purchased, or  
840 sold through an alternative trading system registered under  
841 Securities and Exchange Commission Regulation ATS, 17 C.F.R. s.  
842 242.301, as amended, and the issuer of the security has made  
843 current information publicly available in accordance with  
844 Securities and Exchange Commission Rule 15c2-11, 17 C.F.R. s.  
845 240.15c2-11, as amended;

846 3. The issuer of the security is a unit investment trust  
847 registered under the Investment Company Act of 1940, as amended;

848 4. The issuer of the security has been engaged in  
849 continuous business, including predecessors, for at least 3  
850 years; or

851 5. The issuer of the security has total assets of at least  
 852 \$2 million based on an audited balance sheet as of a date within  
 853 18 months before such transaction or, in the case of a  
 854 reorganization or merger in which parties to the reorganization  
 855 or merger had such audited balance sheet, a pro forma balance  
 856 sheet.

857 (19) The offer or sale of any security effected by or  
 858 through a person in compliance with s. 517.12(16).

859 (20) A nonissuer transaction in an outstanding security by  
 860 or through a dealer registered or exempt from registration under  
 861 this chapter, if all of the following are true:

862 (a) The issuer is a reporting issuer in a foreign  
 863 jurisdiction designated by this subsection or by commission  
 864 rule, and the issuer has been subject to continuous reporting  
 865 requirements in such foreign jurisdiction for not less than 180  
 866 days before the transaction.

867 (b) The security is listed on the securities exchange  
 868 designated by this subsection or by commission rule, is a  
 869 security of the same issuer which is of senior or substantially  
 870 equal rank to the listed security, or is a warrant or right to  
 871 purchase or subscribe to any such security.

872  
 873 For purposes of this subsection, Canada, together with its  
 874 provinces and territories, is designated as a foreign  
 875 jurisdiction, and The Toronto Stock Exchange, Inc., is

876 designated as a securities exchange. If, after an administrative  
 877 hearing in compliance with ss. 120.569 and 120.57, the office  
 878 finds that revocation is necessary or appropriate in furtherance  
 879 of the public interest and for the protection of investors, it  
 880 may revoke the designation of a securities exchange under this  
 881 subsection.

882 (21) Other transactions exempted by commission rule upon a  
 883 finding by the office that the application of s. 517.07 to a  
 884 particular transaction is not necessary or appropriate in  
 885 furtherance of the public interest and for the protection of  
 886 investors due to the small dollar amount of the securities  
 887 involved or the limited character of the offering. In  
 888 conjunction with its adoption by rule of such exemptions, the  
 889 commission may exempt persons selling or offering for sale  
 890 securities in such a transaction from the registration  
 891 requirements of s. 517.12. A rule adopted by the commission  
 892 under this subsection may not have the effect of narrowing or  
 893 limiting any exemption specified in this section.

894 Section 4. Section 517.0611, Florida Statutes, is amended  
 895 to read:

896 517.0611 The Florida Limited Offering Exemption Intrastate  
 897 crowdfunding.—

898 (1) This section may be cited as ~~the~~ "The Florida Limited  
 899 Offering Intrastate Crowdfunding Exemption."

900 (2) The registration provisions of s. 517.07 do not apply

901 to a securities transaction conducted in accordance with this  
 902 section; however, such transaction is subject to s. 517.301  
 903 ~~Notwithstanding any other provision of this chapter, an offer or~~  
 904 ~~sale of a security by an issuer is an exempt transaction under~~  
 905 ~~s. 517.061 if the offer or sale is conducted in accordance with~~  
 906 ~~this section. The exemption provided in this section may not be~~  
 907 ~~used in conjunction with any other exemption under s. 517.051 or~~  
 908 ~~s. 517.061.~~

909 (3) The offer or sale of securities under this section  
 910 must be conducted in accordance with the requirements of the  
 911 federal exemption for intrastate offerings in s. 3(a)(11) of the  
 912 Securities Act of 1933, 15 U.S.C. s. 77c(a)(11), as amended, and  
 913 ~~United States~~ Securities and Exchange Commission Rule 147, 17  
 914 C.F.R. s. 230.147, as amended, or Securities and Exchange  
 915 Commission Rule 147A, 17. C.F.R. s. 230.147A, as amended ~~adopted~~  
 916 ~~pursuant to the Securities Act of 1933.~~

917 (4) An issuer ~~must~~:

918 (a) Must be a for-profit business entity that maintains  
 919 ~~formed under the laws of the state, be registered with the~~  
 920 ~~Secretary of State, maintain~~ its principal place of business ~~in~~  
 921 ~~the state, and derives~~ derive its revenues primarily from  
 922 operations in this ~~the~~ state.

923 (b) Must conduct transactions for an ~~the~~ offering of \$2.5  
 924 million or more through a dealer registered with the office or  
 925 an intermediary registered under s. 517.12 ~~s. 517.12(19)~~. For an

926 offering of less than \$2.5 million, the issuer may, but is not  
 927 required to, use such a dealer or intermediary.

928 (c) May not be, ~~either~~ before or as a result of the  
 929 offering, an investment company as defined in s. 3 of the  
 930 Investment Company Act of 1940, 15 U.S.C. s. 80a-3, as amended,  
 931 or subject to the reporting requirements of s. 13 or s. 15(d) of  
 932 the Securities Exchange Act of 1934, 15 U.S.C. s. 78m or s.  
 933 78o(d), as amended.

934 (d) May not be a business entity that has ~~company with~~ an  
 935 undefined business operation, ~~a company that~~ lacks a business  
 936 plan, ~~a company that~~ lacks a stated investment goal for the  
 937 funds being raised, or ~~a company that~~ plans to engage in a  
 938 merger or acquisition with an unspecified business entity.

939 (e) May not be subject to a disqualification established  
 940 by the commission ~~or office~~ or a disqualification described in  
 941 s. 517.0616 or s. 517.1611 ~~or United States Securities and~~  
 942 ~~Exchange Commission Rule 506(d), 17 C.F.R. 230.506(d), adopted~~  
 943 ~~pursuant to the Securities Act of 1933.~~ Each director, officer,  
 944 manager, managing member, or general partner, or person  
 945 occupying a similar status or performing a similar function, or  
 946 person holding more than 20 percent of the equity interest  
 947 ~~shares~~ of the issuer, is subject to this paragraph requirement.

948 (f) Must deposit all funds received from investors in an  
 949 account in ~~Execute an escrow agreement with~~ a federally insured  
 950 financial institution authorized to do business in this ~~the~~

951 state, and maintain all such funds in the account until the  
 952 target offering amount has been reached or the offering has been  
 953 terminated or has expired. If the target offering amount has not  
 954 been reached within the period specified by the issuer in the  
 955 disclosure statement provided to investors, or if the offering  
 956 is terminated or expires, the issuer must refund invested funds  
 957 to all investors within 10 business days after such occurrence  
 958 ~~for the deposit of investor funds, and ensure that all offering~~  
 959 ~~proceeds are provided to the issuer only when the aggregate~~  
 960 ~~capital raised from all investors is equal to or greater than~~  
 961 ~~the target offering amount.~~

962 (g) Must use all funds in accordance with the use of  
 963 proceeds as disclosed to prospective investors ~~Allow investors~~  
 964 ~~to cancel a commitment to invest within 3 business days before~~  
 965 ~~the offering deadline, as stated in the disclosure statement,~~  
 966 ~~and issue refunds to all investors if the target offering amount~~  
 967 ~~is not reached by the offering deadline.~~

968 (5) The issuer must file a notice of the offering with the  
 969 office, in writing or in electronic form, in a format prescribed  
 970 by commission rule, together with a nonrefundable filing fee of  
 971 \$200. The filing fee must ~~shall~~ be deposited into the Regulatory  
 972 Trust Fund of the office. The commission may adopt rules  
 973 establishing procedures for the deposit of fees and the filing  
 974 of documents by electronic means if the procedures provide the  
 975 office with the information and data required by this section. A

976 notice is effective upon receipt, by the office, of the  
 977 completed form, filing fee, and an irrevocable written consent  
 978 to service of civil process, similar to that provided for in s.  
 979 517.101. The notice may be terminated by filing with the office  
 980 a notice of termination. The notice and offering expire 12  
 981 months after filing the notice with the office and are not  
 982 eligible for renewal. The notice must:

983 (a) Be filed with the office at least 10 days before the  
 984 issuer commences an offering of securities or the offering is  
 985 displayed on a website of an intermediary in reliance upon the  
 986 exemption provided by this section.

987 (b) Indicate that the issuer is conducting an offering in  
 988 reliance upon the exemption provided by this section.

989 (c) Contain the name and contact information, including an  
 990 e-mail address, of the issuer.

991 (d) Identify any predecessors, owners, officers,  
 992 directors, general partners, managers, managing members, and  
 993 ~~control persons~~ or any person occupying a similar status or  
 994 performing a similar function of the issuer, including that  
 995 person's title, ~~his or her~~ status as a partner, trustee, or sole  
 996 proprietor or a similar role, and ~~his or her~~ ownership  
 997 percentage.

998 (e) Identify the federally insured financial institution  
 999 ~~into, authorized to do business in the state, in~~ which investor  
 1000 funds will be deposited, ~~in accordance with the escrow~~



1001 agreement.

1002 (f) ~~Require an attestation under oath that the issuer, its~~  
 1003 ~~predecessors, affiliated issuers, directors, officers, and~~  
 1004 ~~control persons, or any other person occupying a similar status~~  
 1005 ~~or performing a similar function, are not currently and have not~~  
 1006 ~~been within the past 10 years the subject of regulatory or~~  
 1007 ~~criminal actions involving fraud or deceit.~~

1008 ~~(g) Include documentation verifying that the issuer is~~  
 1009 ~~organized under the laws of the state and authorized to do~~  
 1010 ~~business in the state.~~

1011 ~~(h) If applicable, include the intermediary's website~~  
 1012 ~~address where the issuer's securities will be offered.~~

1013 (g)(i) State Include the target offering amount and the  
 1014 date, not to exceed 365 days, by which the target amount must be  
 1015 reached in order to avoid termination of the offering.

1016 (6) The issuer must amend the notice form within 10  
 1017 business ~~30~~ days after any material information contained in the  
 1018 notice becomes inaccurate ~~for any reason~~. The commission may  
 1019 require, by rule, an issuer who has filed a notice under this  
 1020 section to file amendments with the office.

1021 (7) The issuer may engage in general advertising and  
 1022 general solicitation of the offering to prospective investors.  
 1023 Any oral or written statements in advertising or solicitation of  
 1024 the offering which contain a material misstatement, or which  
 1025 fail to disclose material information, are subject to

1026 enforcement under this chapter. Any general advertising or other  
 1027 general announcement must state that the offering is limited and  
 1028 open only to residents of this state.

1029 (8) The issuer must provide a disclosure statement to  
 1030 ~~investors and the dealer or intermediary, along with a copy to~~  
 1031 ~~the office at the time that the notice is filed, and make~~  
 1032 ~~available to potential investors through the dealer or~~  
 1033 ~~intermediary, as applicable; to the office at the time that the~~  
 1034 notice is filed; and to each prospective investor at least 3  
 1035 days before the investor's commitment to purchase or payment of  
 1036 any consideration. The~~, a disclosure statement~~ must contain  
 1037 ~~containing~~ material information about the issuer and the  
 1038 offering, including all of the following:

1039 (a) The name, legal status, physical address, e-mail  
 1040 address, and website address of the issuer.

1041 (b) The names of the directors, officers, managers,  
 1042 managing members, and general partners and any person occupying  
 1043 a similar status or performing a similar function, and the name  
 1044 and ownership percentage of each person holding more than 20  
 1045 percent of the issuer's equity interests ~~shares of the issuer.~~

1046 (c) A description of the current business ~~of the issuer~~  
 1047 and ~~the~~ anticipated business plan of the issuer.

1048 (d) A description of the stated purpose and intended use  
 1049 of the proceeds of the offering.

1050 (e) The target offering amount and~~, the~~ deadline to reach

1051 the target offering amount, ~~and regular updates regarding the~~  
 1052 ~~progress of the issuer in meeting the target offering amount.~~

1053 (f) The price to the public of the securities ~~or the~~  
 1054 ~~method for determining the price. However, before the sale, each~~  
 1055 ~~investor must receive in writing the final price and all~~  
 1056 ~~required disclosures and have an opportunity to rescind the~~  
 1057 ~~commitment to purchase the securities.~~

1058 (g) A description of the ownership and capital structure  
 1059 of the issuer, including:

1060 1. Terms of the securities being offered and each class of  
 1061 security of the issuer, including how those terms may be  
 1062 modified, and a summary of the differences between such  
 1063 securities, including how the rights of the securities being  
 1064 offered may be materially limited, diluted, or qualified by  
 1065 rights of any other class of security of the issuer.

1066 2. A description of how the exercise of the rights held by  
 1067 the principal equity holders ~~shareholders~~ of the issuer could  
 1068 negatively impact the purchasers of the securities being  
 1069 offered.

1070 ~~3. The name and ownership level of each existing~~  
 1071 ~~shareholder who owns more than 20 percent of any class of the~~  
 1072 ~~securities of the issuer.~~

1073 ~~4. How the securities being offered are being valued, and~~  
 1074 ~~examples of methods of how such securities may be valued by the~~  
 1075 ~~issuer in the future, including during subsequent corporate~~

1076 | ~~actions.~~

1077 |       ~~5. The risks to purchasers of the securities relating to~~  
 1078 | ~~minority ownership in the issuer, the risks associated with~~  
 1079 | ~~corporate action, including additional issuances of shares, a~~  
 1080 | ~~sale of the issuer or of assets of the issuer, or transactions~~  
 1081 | ~~with related parties.~~

1082 |       (h) A statement that the security being offered is not  
 1083 | registered under federal or state securities laws and that the  
 1084 | securities are subject to the limitation on resale contained in  
 1085 | Securities and Exchange Commission Rule 147 or Rule 147A.

1086 |       (i) Any issuer plans, formal or informal, to offer  
 1087 | additional securities in the future.

1088 |       (j) The risks to purchasers of the securities relating to  
 1089 | minority ownership in the issuer.

1090 |       (k)-(h) A description of the financial condition of the  
 1091 | issuer.

1092 |       1. For offerings that, in combination with all other  
 1093 | offerings of the issuer within the preceding 12-month period,  
 1094 | have ~~target~~ offering amounts of \$500,000 ~~\$100,000~~ or less, the  
 1095 | financial statements of the issuer may be, but are not required  
 1096 | to be, included ~~description must include the most recent income~~  
 1097 | ~~tax return filed by the issuer, if any, and a financial~~  
 1098 | ~~statement that must be certified by the principal executive~~  
 1099 | ~~officer of the issuer as true and complete in all material~~  
 1100 | ~~respects.~~

1101           2. For offerings that, in combination with all other  
 1102 offerings of the issuer within the preceding 12-month period,  
 1103 have ~~target~~ offering amounts of more than \$500,000 ~~\$100,000~~, but  
 1104 not more than \$2.5 million ~~\$500,000~~, the description must  
 1105 include financial statements prepared in accordance with  
 1106 generally accepted accounting principles and reviewed by a  
 1107 certified public accountant, as defined in s. 473.302, who is  
 1108 independent of the issuer, using professional standards and  
 1109 procedures ~~for such review~~ or standards and procedures  
 1110 established by commission ~~the office, by rule,~~ for such purpose.

1111           3. For offerings that, in combination with all other  
 1112 offerings of the issuer within the preceding 12-month period,  
 1113 have ~~target~~ offering amounts of more than \$2.5 million ~~\$500,000~~,  
 1114 the description must include audited financial statements  
 1115 prepared in accordance with generally accepted accounting  
 1116 principles by a certified public accountant, as defined in s.  
 1117 473.302, who is independent of the issuer, and other  
 1118 requirements as the commission may establish by rule.

1119           (1) ~~(i)~~ The following statement in boldface, conspicuous  
 1120 type on the front page of the disclosure statement:

1121  
 1122           Neither the Securities and Exchange Commission nor any  
 1123 state securities commission has approved or  
 1124 disapproved these securities or determined if this  
 1125 disclosure statement is truthful or complete. Any

1126 representation to the contrary is a criminal offense.

1127

1128 These securities are offered under, and will be sold  
 1129 in reliance upon, an exemption from the registration  
 1130 requirements of federal and Florida securities laws.

1131 ~~Consequently,~~ Neither the Federal Government nor the  
 1132 State of Florida has reviewed the accuracy or  
 1133 completeness of any offering materials. In making an  
 1134 investment decision, investors must rely on their own  
 1135 examination of the issuer and the terms of the  
 1136 offering, including the merits and risks involved.

1137 These securities are subject to restrictions on  
 1138 transferability and resale and may not be transferred  
 1139 or resold except as specifically authorized by  
 1140 applicable federal and state securities laws.

1141 Investing in these securities involves a speculative  
 1142 risk, and investors should be able to bear the loss of  
 1143 their entire investment.

1144 ~~(8) The issuer shall provide to the office a copy of the~~  
 1145 ~~escrow agreement with a financial institution authorized to~~  
 1146 ~~conduct business in this state. All investor funds must be~~  
 1147 ~~deposited in the escrow account. The escrow agreement must~~  
 1148 ~~require that all offering proceeds be released to the issuer~~  
 1149 ~~only when the aggregate capital raised from all investors is~~  
 1150 ~~equal to or greater than the minimum target offering amount~~

1151 ~~specified in the disclosure statement as necessary to implement~~  
 1152 ~~the business plan, and that all investors will receive a full~~  
 1153 ~~return of their investment commitment if that target offering~~  
 1154 ~~amount is not raised by the date stated in the disclosure~~  
 1155 ~~statement.~~

1156 (9) The sum of all cash and other consideration received  
 1157 for sales of a security under this section may not exceed \$5 ~~\$1~~  
 1158 million, less the aggregate amount received for all sales of  
 1159 securities by the issuer within the 12 months preceding the  
 1160 first offer or sale made in reliance upon this exemption. Offers  
 1161 or sales to a person owning 20 percent or more of the  
 1162 outstanding equity interests ~~shares~~ of any class or classes of  
 1163 securities or to an officer, director, manager, managing member,  
 1164 general partner, or trustee, or a person occupying a similar  
 1165 status, do not count toward this limitation.

1166 (10) Unless the investor is an accredited investor, or the  
 1167 issuer reasonably believes that the investor is an accredited  
 1168 investor as defined by Rule 501 of Regulation D, ~~adopted~~  
 1169 ~~pursuant to the Securities Act of 1933,~~ the aggregate amount of  
 1170 securities sold by an issuer to an investor ~~in transactions~~  
 1171 ~~exempt from registration requirements under this subsection~~ in a  
 1172 12-month period may not exceed \$10,000 ~~÷~~

1173 ~~(a) The greater of \$2,000 or 5 percent of the annual~~  
 1174 ~~income or net worth of such investor, if the annual income or~~  
 1175 ~~the net worth of the investor is less than \$100,000.~~

1176 ~~(b) Ten percent of the annual income or net worth of such~~  
 1177 ~~investor, not to exceed a maximum aggregate amount sold of~~  
 1178 ~~\$100,000, if either the annual income or net worth of the~~  
 1179 ~~investor is equal to or exceeds \$100,000.~~

1180 ~~(11) The issuer shall file with the office and provide to~~  
 1181 ~~investors free of charge an annual report of the results of~~  
 1182 ~~operations and financial statements of the issuer within 45 days~~  
 1183 ~~after the end of its fiscal year, until no securities under this~~  
 1184 ~~offering are outstanding. The annual reports must meet the~~  
 1185 ~~following requirements:~~

1186 ~~(a) Include an analysis by management of the issuer of the~~  
 1187 ~~business operations and the financial condition of the issuer,~~  
 1188 ~~and disclose the compensation received by each director,~~  
 1189 ~~executive officer, and person having an ownership interest of 20~~  
 1190 ~~percent or more of the issuer, including cash compensation~~  
 1191 ~~earned since the previous report and on an annual basis, and any~~  
 1192 ~~bonuses, stock options, other rights to receive securities of~~  
 1193 ~~the issuer, or any affiliate of the issuer, or other~~  
 1194 ~~compensation received.~~

1195 ~~(b) Disclose any material change to information contained~~  
 1196 ~~in the disclosure statements which was not disclosed in a~~  
 1197 ~~previous report.~~

1198 ~~(11)-(12)-(a)~~ A notice-filing under this section must ~~shall~~  
 1199 be summarily suspended by the office if:

1200 (a) The payment for the filing is dishonored by the



1201 financial institution upon which the funds are drawn. For  
 1202 purposes of s. 120.60(6), failure to pay the required notice  
 1203 filing fee constitutes an immediate and serious danger to the  
 1204 public health, safety, and welfare. The office shall enter a  
 1205 final order revoking a notice-filing in which the payment for  
 1206 the filing is dishonored by the financial institution upon which  
 1207 the funds are drawn; or-

1208 (b) ~~A notice-filing under this section shall be summarily~~  
 1209 ~~suspended by the office if~~ The issuer made a material false  
 1210 statement in the issuer's notice-filing. The summary suspension  
 1211 remains ~~shall remain~~ in effect until a final order is entered by  
 1212 the office. For purposes of s. 120.60(6), a material false  
 1213 statement made in the issuer's notice-filing constitutes an  
 1214 immediate and serious danger to the public health, safety, and  
 1215 welfare. If an issuer made a material false statement in the  
 1216 issuer's notice-filing, the office must ~~shall~~ enter a final  
 1217 order revoking the notice-filing, issue a fine as prescribed by  
 1218 s. 517.191(9) ~~s. 517.221(3)~~, and issue permanent bars under s.  
 1219 517.191(10) ~~s. 517.221(4)~~ to the issuer and all owners,  
 1220 officers, directors, general partners, and control persons, or  
 1221 any person occupying a similar status or performing a similar  
 1222 function of the issuer, including title; status as a partner,  
 1223 trustee, sole proprietor, or similar role; and ownership  
 1224 percentage.

1225 (12)-(13) If the issuer employs the services of an

1226 intermediary, the ~~An~~ intermediary must:

1227 (a) Take measures, as established by commission rule, to  
 1228 reduce the risk of fraud with respect to the ~~transactions,~~  
 1229 ~~including verifying that the issuer is in compliance with the~~  
 1230 ~~requirements of this section and, if necessary, denying an~~  
 1231 ~~issuer access to its platform if the intermediary believes it is~~  
 1232 ~~unable to adequately assess the risk of fraud of the issuer or~~  
 1233 ~~its potential~~ offering.

1234 (b) Provide ~~basic~~ information on its website regarding the  
 1235 high risk of investment in and limitation on the resale of  
 1236 exempt securities and the potential for loss of an entire  
 1237 investment. The ~~basic~~ information must include, but need not be  
 1238 limited to, all of the following:

1239 1. A description of the financial institution into which  
 1240 investor funds will be deposited ~~escrow agreement that the~~  
 1241 ~~issuer has executed~~ and the conditions for the use ~~release~~ of  
 1242 such funds by ~~to~~ the issuer ~~in accordance with the agreement and~~  
 1243 ~~subsection (4).~~

1244 2. A description of whether financial information provided  
 1245 by the issuer has been audited by an independent certified  
 1246 public accountant, as defined in s. 473.302.

1247 (c) Obtain from each prospective investor a zip code or  
 1248 residence address, a copy of a driver license, and any other  
 1249 proof of residency in order for the issuer or intermediary to  
 1250 reasonably believe that the potential investor is a resident of

1251 this state. The commission may adopt rules authorizing  
 1252 additional forms of identification and prescribing the process  
 1253 for verifying any identification presented by the prospective  
 1254 investor.

1255 (d) Obtain information sufficient for the issuer or  
 1256 intermediary to reasonably believe that a particular prospective  
 1257 investor is an accredited investor

1258 ~~(c) Obtain a zip code or residence address from each~~  
 1259 ~~potential investor who seeks to view information regarding~~  
 1260 ~~specific investment opportunities, in order to confirm that the~~  
 1261 ~~potential investor is a resident of the state.~~

1262 ~~(d) Obtain and verify a valid Florida driver license~~  
 1263 ~~number or Florida identification card number from each investor~~  
 1264 ~~before purchase of a security to confirm that the investor is a~~  
 1265 ~~resident of the state. The commission may adopt rules~~  
 1266 ~~authorizing additional forms of identification and prescribing~~  
 1267 ~~the process for verifying any identification presented by the~~  
 1268 ~~investor.~~

1269 ~~(e) Obtain an affidavit from each investor stating that~~  
 1270 ~~the investment being made by the investor is consistent with the~~  
 1271 ~~income requirements of subsection (10).~~

1272 ~~(f) Direct the release of investor funds in escrow in~~  
 1273 ~~accordance with subsection (4).~~

1274 ~~(g) Direct investors to transmit funds directly to the~~  
 1275 ~~financial institution designated in the escrow agreement to hold~~

1276 ~~the funds for the benefit of the investor.~~

1277 (e)~~(h)~~ Provide a monthly update for each offering, after  
 1278 the first full month after the date of the offering. The update  
 1279 must be accessible on the intermediary's website and must  
 1280 display the date and amount of each sale of securities, and each  
 1281 cancellation of commitment to invest, in the previous calendar  
 1282 month.

1283 ~~(i) Require each investor to certify in writing, including~~  
 1284 ~~as part of such certification his or her signature and his or~~  
 1285 ~~her initials next to each paragraph of the certification, as~~  
 1286 ~~follows:~~

1287 ~~I understand and acknowledge that:~~

1288 ~~I am investing in a high-risk, speculative business~~  
 1289 ~~venture. I may lose all of my investment, and I can afford the~~  
 1290 ~~loss of my investment.~~

1291 ~~This offering has not been reviewed or approved by any~~  
 1292 ~~state or federal securities commission or other regulatory~~  
 1293 ~~authority and no regulatory authority has confirmed the accuracy~~  
 1294 ~~or determined the adequacy of any disclosure made to me relating~~  
 1295 ~~to this offering.~~

1296 ~~The securities I am acquiring in this offering are illiquid~~  
 1297 ~~and are subject to possible dilution. There is no ready market~~  
 1298 ~~for the sale of the securities. It may be difficult or~~  
 1299 ~~impossible for me to sell or otherwise dispose of the~~  
 1300 ~~securities, and I may be required to hold the securities~~

1301 ~~indefinitely.~~

1302 ~~I may be subject to tax on my share of the taxable income~~  
 1303 ~~and losses of the issuer, whether or not I have sold or~~  
 1304 ~~otherwise disposed of my investment or received any dividends or~~  
 1305 ~~other distributions from the issuer.~~

1306 ~~By entering into this transaction with the issuer, I am~~  
 1307 ~~affirmatively representing myself as being a Florida resident at~~  
 1308 ~~the time this contract is formed, and if this representation is~~  
 1309 ~~subsequently shown to be false, the contract is void.~~

1310 ~~If I resell any of the securities I am acquiring in this~~  
 1311 ~~offering to a person that is not a Florida resident within 9~~  
 1312 ~~months after the closing of the offering, my contract with the~~  
 1313 ~~issuer for the purchase of these securities is void.~~

1314 ~~(j) Require each investor to answer questions~~  
 1315 ~~demonstrating an understanding of the level of risk generally~~  
 1316 ~~applicable to investments in startups, emerging businesses, and~~  
 1317 ~~small issuers, and an understanding of the risk of illiquidity.~~

1318 ~~(f)-(k)~~ Take reasonable steps to protect personal  
 1319 information collected from investors, as required by s. 501.171.

1320 ~~(g)-(l)~~ Prohibit its directors, and officers, managers,  
 1321 managing members, general partners, employees, and agents from  
 1322 having any financial interest in the issuer using its services.

1323 ~~(m) Implement written policies and procedures that are~~  
 1324 ~~reasonably designed to achieve compliance with federal and state~~  
 1325 ~~securities laws; comply with the anti-money laundering~~

1326 ~~requirements of 31 C.F.R. chapter X applicable to registered~~  
 1327 ~~brokers; and comply with the privacy requirements of 17 C.F.R.~~  
 1328 ~~part 248 relating to brokers.~~

1329 (13) ~~(14)~~ An intermediary not registered as a dealer under  
 1330 s. 517.12(5) may not:

1331 (a) Offer investment advice or recommendations. A refusal  
 1332 by an intermediary to post an offering that it deems not  
 1333 credible or that represents a potential for fraud may not be  
 1334 construed as an offer of investment advice or recommendation.

1335 (b) Solicit purchases, sales, or offers to buy securities  
 1336 offered or displayed on its website.

1337 (c) Compensate employees, agents, or other persons for the  
 1338 solicitation of, or based on the sale of, securities offered or  
 1339 displayed on its website.

1340 (d) Hold, manage, possess, or otherwise handle investor  
 1341 funds or securities.

1342 (e) Compensate promoters, finders, or lead generators for  
 1343 providing the intermediary with the personal identifying  
 1344 information of any prospective ~~potential~~ investor.

1345 (f) Engage in any other activities set forth by commission  
 1346 rule.

1347 (14) If the issuer does not employ a dealer or an  
 1348 intermediary for an offering pursuant to the exemption created  
 1349 under this section, the issuer must fulfill each of the  
 1350 obligations specified in paragraphs (12)(c)-(f).

1351           (15) Any sale made pursuant to the exemption created under  
 1352 this section is voidable by the purchaser within 3 days after  
 1353 the first tender of consideration is made by such purchaser to  
 1354 the issuer by notifying the issuer that the purchaser expressly  
 1355 voids the purchase. The purchaser's notice to the issuer must be  
 1356 sent by e-mail to the issuer's e-mail address set forth in the  
 1357 disclosure statement that is provided to the purchaser or  
 1358 purchaser's representative or by certified mail or overnight  
 1359 delivery service with proof of delivery to the mailing address  
 1360 set forth in the disclosure statement ~~All funds received from~~  
 1361 ~~investors must be directed to the financial institution~~  
 1362 ~~designated in the escrow agreement to hold the funds and must be~~  
 1363 ~~used in accordance with representations made to investors by the~~  
 1364 ~~intermediary. If an investor cancels a commitment to invest, the~~  
 1365 ~~intermediary must direct the financial institution designated to~~  
 1366 ~~hold the funds to promptly refund the funds of the investor.~~

1367           Section 5. Section 517.0612, Florida Statutes, is created  
 1368 to read:

1369           517.0612 Florida Invest Local Exemption.-

1370           (1) This section may be cited as the "Florida Invest Local  
 1371 Exemption."

1372           (2) The registration provisions of s. 517.07 do not apply  
 1373 to a securities transaction conducted in accordance with this  
 1374 section; however, such transaction is subject to s. 517.301.

1375           (3) The offer or sale of securities under this section

1376 must meet the requirements of the federal exemption for  
 1377 intrastate offerings in s. 3(a)(11) of the Securities Act of  
 1378 1933, Securities and Exchange Commission Rule 147, or Securities  
 1379 and Exchange Commission Rule 147A, as amended.

1380 (4) The issuer must be a for-profit business entity  
 1381 registered with the Department of State which has its principal  
 1382 place of business in this state. The issuer may not be, before  
 1383 or as a result of the offering:

1384 (a) An investment company as defined in the Investment  
 1385 Company Act of 1940, as amended;

1386 (b) Subject to the reporting requirements of the  
 1387 Securities and Exchange Act of 1934, as amended;

1388 (c) A business entity that has an undefined business  
 1389 operation, lacks a business plan, lacks a stated investment goal  
 1390 for the funds being raised, or plans to engage in a merger or  
 1391 acquisition with an unspecified business entity; or

1392 (d) Subject to a disqualification as provided in s.  
 1393 517.0616.

1394 (5) The sum of all cash and other consideration received  
 1395 from all sales of the securities in reliance upon the exemption  
 1396 under this section may not exceed \$500,000, less the aggregate  
 1397 amount received for all sales of securities by the issuer within  
 1398 the 12 months before the first offer or sale made in reliance on  
 1399 this exemption.

1400 (6) (a) The issuer may not accept more than \$10,000 from



1401 any single purchaser unless any of the following apply:

1402 1. The issuer reasonably believes that the purchaser is an

1403 accredited investor.

1404 2. The purchaser is an officer, director, partner, or

1405 trustee, or an individual occupying a similar status or

1406 performing similar functions, of the issuer.

1407 3. The purchaser is an owner of 10 percent or more of the

1408 issuer's outstanding equity.

1409 (b) For purposes of this subsection, the following persons

1410 must be treated collectively as a single purchaser:

1411 1. Any spouse or child of the purchaser or any related

1412 family member who has the same primary residence as the

1413 purchaser.

1414 2. Any business entity of which the purchaser and any

1415 person related to the purchaser as provided in subparagraph 1.

1416 collectively own more than 50 percent of the equity interest.

1417 (7) The issuer may engage in general advertising and

1418 general solicitation of the offering. Any general advertising or

1419 other general announcement must state that the offer is limited

1420 and open only to residents of this state. Any oral or written

1421 statements in advertising or solicitation of the offer which

1422 contain a material misstatement, or which fail to disclose

1423 material information, are subject to enforcement under this

1424 chapter.

1425 (8) A purchaser must receive, at least 3 business days

1426 before any binding commitment to purchase or consideration paid,  
1427 a disclosure statement that provides material information  
1428 regarding the issuer, including, but not limited to, all of the  
1429 following information:

1430 (a) The issuer's name, type of entity, and contact  
1431 information.

1432 (b) The name and contact information of each director,  
1433 officer, or other manager of the issuer.

1434 (c) A description of the issuer's business.

1435 (d) A description of the security being offered.

1436 (e) The total amount of the offering.

1437 (f) The intended use of proceeds from the sale of the  
1438 securities.

1439 (g) The target offering amount.

1440 (h) A statement that if the target offering amount is not  
1441 obtained in cash or in the value of other tangible consideration  
1442 received on a date that is no more than 180 days after the  
1443 commencement of the offering, the offering will be terminated,  
1444 and any funds or other consideration received from purchasers  
1445 must be promptly returned.

1446 (i) A statement that the security being offered is not  
1447 registered under federal or state securities laws and that the  
1448 securities are subject to the limitation on resale contained in  
1449 Securities and Exchange Commission Rule 147 or Rule 147A.

1450 (j) The names and addresses of all persons who will be

1451 involved in the offer and sale of securities on behalf of the  
 1452 issuer.

1453 (k) The name of the bank or other depository institution  
 1454 into which investor funds will be deposited.

1455 (l) The following statement in boldface, conspicuous type:

1456  
 1457 Neither the Securities and Exchange Commission nor any  
 1458 state securities commission has approved or  
 1459 disapproved these securities or determined that this  
 1460 disclosure statement is truthful or complete. Any  
 1461 representation to the contrary is a criminal offense.

1462  
 1463 (9) All funds received from investors must be deposited  
 1464 into a bank or depository institution authorized to do business  
 1465 in this state. The issuer may not withdraw any amount of the  
 1466 offering proceeds unless the target offering amount has been  
 1467 received.

1468 (10) The issuer must file a notice of the offering with  
 1469 the office, in writing or in electronic form, in a format  
 1470 prescribed by commission rule, no less than 5 business days  
 1471 before the offering commences, along with the disclosure  
 1472 statement described in subsection (8). If there are any material  
 1473 changes to the information previously submitted, the issuer,  
 1474 within 3 business days after such material change, must file an  
 1475 amended notice.

1476        (11) An individual, entity, or entity employee who acts as  
 1477 an agent for the issuer in the offer or sale of securities and  
 1478 is not registered as a dealer under this chapter may not do  
 1479 either of the following:

1480        (a) Receive compensation based upon the solicitation of  
 1481 purchases, sales, or offers to purchase the securities.

1482        (b) Take custody of investor funds or securities.

1483        (12) Any sale made pursuant to the exemption created under  
 1484 this section is voidable by the purchaser within 3 days after  
 1485 the first tender of consideration is made by such purchaser to  
 1486 the issuer by notifying the issuer that the purchaser expressly  
 1487 voids the purchase. The purchaser's notice to the issuer must be  
 1488 sent by e-mail to the issuer's e-mail address set forth in the  
 1489 disclosure statement that is provided to a purchaser or the  
 1490 purchaser's representative or by hand delivery, courier service,  
 1491 or other method by which written proof of delivery to the issuer  
 1492 of the purchaser's election to rescind the purchase is  
 1493 evidenced.

1494        Section 6. Section 517.0613, Florida Statutes, is created  
 1495 to read:

1496        517.0613 Failure to comply with a securities registration  
 1497 exemption.—

1498        (1) Failure to meet the requirements for any exemption  
 1499 from securities registration does not preclude the issuer from  
 1500 claiming the availability of any other applicable state or

1501 federal exemption.

1502 (2) The exemptions created under ss. 517.061, 517.0611,  
 1503 and 517.0612 are not available to an issuer for any transaction  
 1504 or series of transactions that, although in technical compliance  
 1505 with the applicable provisions, is part of a plan or scheme to  
 1506 evade the registration provisions of s. 517.07, and registration  
 1507 under s. 517.07 is required in connection with such  
 1508 transactions.

1509 Section 7. Section 517.0614, Florida Statutes, is created  
 1510 to read:

1511 517.0614 Integration of offerings.-

1512 (1) If the safe harbors in subsection (2) do not apply, in  
 1513 determining whether two or more offerings are to be treated as  
 1514 one for the purpose of registration or qualifying for an  
 1515 exemption from registration under this chapter, offers and sales  
 1516 may not be integrated if, based on the particular facts and  
 1517 circumstances, the issuer can establish either that each  
 1518 offering complies with the registration requirements of this  
 1519 chapter, or that an exemption from registration is available for  
 1520 the particular offering, provided that any transaction or series  
 1521 of transactions that, although in technical compliance with this  
 1522 chapter, is part of a plan or scheme to evade the registration  
 1523 requirements of this chapter will not have the effect of  
 1524 avoiding integration. In making this determination:

1525 (a) For an exempt offering prohibiting general

1526 solicitation, the issuer must have a reasonable belief, based on  
 1527 the facts and circumstances, with respect to each purchaser in  
 1528 the exempt offering prohibiting general solicitation, that the  
 1529 issuer or any person acting on the issuer's behalf:

1530 1. Did not solicit such purchaser through the use of  
 1531 general solicitation; or

1532 2. Established a substantive relationship with such  
 1533 purchaser before the commencement of the exempt offering  
 1534 prohibiting general solicitation, provided that a purchaser  
 1535 previously solicited through the use of general solicitation is  
 1536 not deemed to have been solicited through the use of general  
 1537 solicitation in the current offering if, during the 45 calendar  
 1538 days following such previous general solicitation:

1539 a. No offer or sale of the same or similar class of  
 1540 securities has been made by or on behalf of the issuer,  
 1541 including to such purchaser; and

1542 b. The issuer or any person acting on the issuer's behalf  
 1543 has not solicited such purchaser through the use of general  
 1544 solicitation for any other security.

1545 (b) For two or more concurrent exempt offerings permitting  
 1546 general solicitation, in addition to satisfying the requirements  
 1547 of the particular exemption relied on, general solicitation  
 1548 offering materials for one offering that includes information  
 1549 about the material terms of a concurrent offering under another  
 1550 exemption may constitute an offer of securities in such other

1551 offering, and therefore the offer must comply with all the  
 1552 requirements for, and restrictions on, offers under the  
 1553 exemption being relied on for such other offering, including any  
 1554 legend requirements and communications restrictions.

1555 (2) The integration analysis required by subsection (1) is  
 1556 not required if any of the following nonexclusive safe harbors  
 1557 apply:

1558 (a) An offering commenced more than 30 calendar days  
 1559 before the commencement of any other offering, or more than 30  
 1560 calendar days after the termination or completion of any other  
 1561 offering, may not be integrated with such other offering,  
 1562 provided that for an exempt offering for which general  
 1563 solicitation is not permitted which follows by 30 calendar days  
 1564 or more an offering that allows general solicitation, paragraph  
 1565 (1)(a) applies.

1566 (b) Offers and sales made in compliance with any of the  
 1567 following provisions are not subject to integration with other  
 1568 offerings:

1569 1. Section 517.051 or s. 517.061, except s. 517.061(9),  
 1570 (10), or (11).

1571 2. Section 517.0611 or s. 517.0612.

1572 Section 8. Section 517.0615, Florida Statutes, is created  
 1573 to read:

1574 517.0615 Solicitations of interest.—

1575 (1) A communication may not be deemed to constitute

1576 general solicitation or general advertising if the communication  
 1577 is made in connection with a seminar or meeting in which more  
 1578 than one issuer participates and which is sponsored by a  
 1579 college, a university, or another institution of higher  
 1580 education; a state or local government or an instrumentality  
 1581 thereof; a nonprofit chamber of commerce or other nonprofit  
 1582 organization; or an angel investor group, incubator, or  
 1583 accelerator, if all of the following apply:

1584 (a) Advertising for the seminar or meeting does not  
 1585 reference a specific offering of securities by the issuer.

1586 (b) The sponsor of the seminar or meeting does not do any  
 1587 of the following:

1588 1. Make investment recommendations or provide investment  
 1589 advice to attendees of the seminar or meeting.

1590 2. Engage in any investment negotiations between the  
 1591 issuer and investors attending the seminar or meeting.

1592 3. Charge attendees of the seminar or meeting any fees,  
 1593 other than reasonable administrative fees.

1594 4. Receive any compensation for making introductions  
 1595 between seminar or meeting attendees and issuers or for  
 1596 investment negotiations between such parties.

1597 5. Receive any compensation with respect to the seminar or  
 1598 meeting, which compensation would require registration or  
 1599 notice-filing under this chapter, the Securities Exchange Act of  
 1600 1934, 15 U.S.C. ss. 78a et seq., as amended, or the Investment



1601 Advisers Act of 1940, 15 U.S.C. s. 80b-1 et seq., as amended.  
 1602 The sponsorship of or participation in the seminar or meeting  
 1603 does not by itself require registration or notice-filing under  
 1604 this chapter.

1605 (c) The type of information regarding an offering of  
 1606 securities by the issuer which is communicated or distributed by  
 1607 or on behalf of the issuer in connection with the seminar or  
 1608 meeting is limited to a notification that the issuer is in the  
 1609 process of offering or planning to offer securities, the type  
 1610 and amount of securities being offered, the intended use of  
 1611 proceeds of the offering, and the unsubscribed amount in an  
 1612 offering.

1613 (d) If the event allows attendees to participate  
 1614 virtually, rather than in person, online participation in the  
 1615 event is limited to:

1616 1. Individuals that are members of, or otherwise  
 1617 associated with, the sponsor organization;

1618 2. Individuals that the sponsor reasonably believes are  
 1619 accredited investors; or

1620 3. Individuals that have been invited to the event by the  
 1621 sponsor based on industry or investment-related experience  
 1622 reasonably selected by the sponsor in good faith and disclosed  
 1623 in the public communications about the event.

1624 (2) Before any offers or sales are made in connection with  
 1625 an offering, communications by an issuer or any person

1626 authorized to act on behalf of the issuer are not deemed to  
1627 constitute general solicitation or general advertising if the  
1628 communication is solely for the purpose of determining whether  
1629 there is any interest in a contemplated securities offering.  
1630 Requirements imposed under this chapter on written or oral  
1631 statements made in the course of such communication may be  
1632 enforced as provided in this chapter. The solicitation or  
1633 acceptance of money or other consideration or of any commitment,  
1634 binding or otherwise, from any person is prohibited.

1635 (a) The communication must state all of the following:

1636 1. Money or other consideration is not being solicited  
1637 and, if sent in response, will not be accepted.

1638 2. Any offer to buy the securities will not be accepted,  
1639 and no part of the purchase price will be accepted.

1640 3. A person's indication of interest does not involve  
1641 obligation or commitment of any kind.

1642 (b) Any written communication under this subsection may  
1643 include a means by which a person may indicate to the issuer  
1644 that the person is interested in a potential offering. The  
1645 issuer may require the name, address, telephone number, or e-  
1646 mail address in any response form included in the written  
1647 communication under this paragraph.

1648 (c) A communication in accordance with this subsection is  
1649 not subject to s. 501.059, regarding telephone solicitations.

1650 Section 9. Section 517.0616, Florida Statutes, is created

1651 to read:

1652 517.0616 Disqualification.—A registration exemption under  
 1653 s. 517.061(9), (10), and (11), s. 517.0611, or s. 517.0612 is  
 1654 not available to an issuer that would be disqualified under  
 1655 Securities and Exchange Commission Rule 506(d), 17 C.F.R. s.  
 1656 230.506(d), as amended, at the time the issuer makes an offer  
 1657 for the sale of a security.

1658 Section 10. Present subsections (4) through (8) of section  
 1659 517.081, Florida Statutes, are redesignated as subsections (6)  
 1660 through (10), respectively, new subsections (4) and (5) are  
 1661 added to that section, and subsection (2), paragraph (g) of  
 1662 subsection (3), and present subsection (7) of that section are  
 1663 amended, to read:

1664 517.081 Registration procedure.—

1665 (2) The office shall receive and act upon applications for  
 1666 the registration of ~~to have securities registered, and the~~  
 1667 ~~commission may prescribe forms on which it may require such~~  
 1668 ~~applications to be submitted.~~ Applications must ~~shall~~ be duly  
 1669 signed by the applicant, sworn to by any person having knowledge  
 1670 of the facts, and filed with the office. ~~The commission may~~  
 1671 ~~establish, by rule, procedures for depositing fees and filing~~  
 1672 ~~documents by electronic means provided such procedures provide~~  
 1673 ~~the office with the information and data required by this~~  
 1674 ~~section.~~ An application may be made either by the issuer of the  
 1675 securities for which registration is applied or by any

1676 registered dealer desiring to sell such securities ~~the same~~  
 1677 within the state.

1678 (3) The office may require the applicant to submit to the  
 1679 office the following information concerning the issuer and such  
 1680 other relevant information as the office may in its judgment  
 1681 deem necessary to enable it to ascertain whether such securities  
 1682 shall be registered pursuant to the provisions of this section:

1683 (g)~~1.~~ A specimen copy of the securities certificate, if  
 1684 applicable, and a copy of any circular, prospectus,  
 1685 advertisement, or other description of such securities.

1686 ~~2. The commission shall adopt a form for a simplified~~  
 1687 ~~offering circular to register, under this section, securities~~  
 1688 ~~that are sold in offerings in which the aggregate offering price~~  
 1689 ~~in any consecutive 12-month period does not exceed the amount~~  
 1690 ~~provided in s. 3(b) of the Securities Act of 1933, as amended.~~  
 1691 ~~The following issuers shall not be eligible to submit a~~  
 1692 ~~simplified offering circular adopted pursuant to this~~  
 1693 ~~subparagraph:~~

1694 ~~a. An issuer seeking to register securities for resale by~~  
 1695 ~~persons other than the issuer.~~

1696 ~~b. An issuer that is subject to any of the~~  
 1697 ~~disqualifications described in 17 C.F.R. s. 230.262, adopted~~  
 1698 ~~pursuant to the Securities Act of 1933, as amended, or that has~~  
 1699 ~~been or is engaged or is about to engage in an activity that~~  
 1700 ~~would be grounds for denial, revocation, or suspension under s.~~

1701 ~~517.111. For purposes of this subparagraph, an issuer includes~~  
 1702 ~~an issuer's director, officer, general partner, manager or~~  
 1703 ~~managing member, trustee, or equity owner who owns at least 10~~  
 1704 ~~percent of the ownership interests of the issuer, promoter, or~~  
 1705 ~~selling agent of the securities to be offered or any officer,~~  
 1706 ~~director, partner, or manager or managing member of such selling~~  
 1707 ~~agent.~~

1708 ~~e. An issuer that is a development-stage company that~~  
 1709 ~~either has no specific business plan or purpose or has indicated~~  
 1710 ~~that its business plan is to merge with an unidentified company~~  
 1711 ~~or companies.~~

1712 ~~d. An issuer of offerings in which the specific business~~  
 1713 ~~or properties cannot be described.~~

1714 ~~e. Any issuer the office determines is ineligible because~~  
 1715 ~~the form does not provide full and fair disclosure of material~~  
 1716 ~~information for the type of offering to be registered by the~~  
 1717 ~~issuer.~~

1718 ~~f. Any issuer that has failed to provide the office the~~  
 1719 ~~reports required for a previous offering registered pursuant to~~  
 1720 ~~this subparagraph.~~

1721  
 1722 ~~As a condition precedent to qualifying for use of the simplified~~  
 1723 ~~offering circular, an issuer shall agree to provide the office~~  
 1724 ~~with an annual financial report containing a balance sheet as of~~  
 1725 ~~the end of the issuer's fiscal year and a statement of income~~

1726 ~~for such year, prepared in accordance with United States~~  
 1727 ~~generally accepted accounting principles and accompanied by an~~  
 1728 ~~independent accountant's report. If the issuer has more than 100~~  
 1729 ~~security holders at the end of a fiscal year, the financial~~  
 1730 ~~statements must be audited. Annual financial reports must be~~  
 1731 ~~filed with the office within 90 days after the close of the~~  
 1732 ~~issuer's fiscal year for each of the first 5 years following the~~  
 1733 ~~effective date of the registration.~~

1734 (4) The commission may, by rule:

1735 (a) Establish criteria relating to the issuance of equity  
 1736 securities, debt securities, insurance company securities, real  
 1737 estate investment trusts, oil and gas investments, and other  
 1738 investments. In establishing these criteria, the commission may  
 1739 consider the rules and regulations of the Securities and  
 1740 Exchange Commission and statements of policy by the North  
 1741 American Securities Administrators Association, Inc., relating  
 1742 to the registration of securities offerings. The criteria must  
 1743 include all of the following:

- 1744 1. The promoter's equity investment ratio.
- 1745 2. The financial condition of the issuer.
- 1746 3. The voting rights of shareholders.
- 1747 4. The grant of options or warrants to underwriters and  
 1748 others.
- 1749 5. Loans and other transactions with affiliates of the  
 1750 issuer.

1751           6. The use, escrow, or refund of proceeds of the offering.  
 1752           (b) Prescribe forms requiring applications for the  
 1753 registration of securities to be submitted to the office,  
 1754 including a simplified offering circular to register, under this  
 1755 section, securities that are sold in offerings in which the  
 1756 aggregate offering price in any consecutive 12-month period does  
 1757 not exceed the amount provided in s. 3(b) of the Securities Act  
 1758 of 1933, as amended.

1759           (c) Establish procedures for depositing fees and filing  
 1760 documents by electronic means, provided that such procedures  
 1761 provide the office with the information and data required by  
 1762 this section.

1763           (d) Establish requirements and standards for the filing,  
 1764 content, and circulation of a preliminary, final, or amended  
 1765 prospectus, advertisements, and other sales literature. In  
 1766 establishing such requirements and standards, the commission  
 1767 shall consider the rules and regulations of the Securities and  
 1768 Exchange Commission relating to requirements for preliminary,  
 1769 final, or amended or supplemented prospectuses and the rules of  
 1770 the Financial Industry Regulatory Authority relating to  
 1771 advertisements and sales literature.

1772           (5) All of the following issuers are not eligible to  
 1773 submit a simplified offering circular:

1774           (a) An issuer that is subject to any of the  
 1775 disqualifications described in Securities and Exchange

1776 Commission Rule 262, 17 C.F.R. s. 230.262, as amended, or that  
 1777 has been or is engaged or is about to engage in an activity that  
 1778 would be grounds for denial, revocation, or suspension under s.  
 1779 517.111. For purposes of this paragraph, an issuer includes an  
 1780 issuer's director, officer, general partner, manager or managing  
 1781 member, trustee, or a person owning at least 10 percent of the  
 1782 ownership interests of the issuer; a promoter or selling agent  
 1783 of the securities to be offered; or any officer, director,  
 1784 partner, or manager or managing member of such selling agent.

1785 (b) An issuer that is a development-stage company that  
 1786 either has no specific business plan or purpose or has indicated  
 1787 that its business plan is to merge with an unidentified business  
 1788 entity or entities.

1789 (c) An issuer of offerings in which the specific business  
 1790 or properties cannot be described.

1791 (d) An issuer that the office determines is ineligible  
 1792 because the simplified circular does not provide full and fair  
 1793 disclosure of material information for the type of offering to  
 1794 be registered by the issuer.

1795 (9)(a)-(7) The office shall record the registration of a  
 1796 security in the register of securities if, upon examination of  
 1797 an any application, it finds that all of the following  
 1798 requirements are met: the office

- 1799 1. The application is complete.
- 1800 2. The fee imposed in subsection (8) has been paid.



1801           3. The sale of the security would not be fraudulent and  
 1802 would not work or tend to work a fraud upon the purchaser.

1803           4. The terms of the sale of such securities would be fair,  
 1804 just, and equitable.

1805           5. The enterprise or business of the issuer is not based  
 1806 upon unsound business principles.

1807           (b) Upon registration, the security may be sold by the  
 1808 issuer or any registered dealer, subject, however, to the  
 1809 further order of the office shall find that the sale of the  
 1810 security referred to therein would not be fraudulent and would  
 1811 not work or tend to work a fraud upon the purchaser, that the  
 1812 terms of the sale of such securities would be fair, just, and  
 1813 equitable, and that the enterprise or business of the issuer is  
 1814 not based upon unsound business principles, it shall record the  
 1815 registration of such security in the register of securities; and  
 1816 thereupon such security so registered may be sold by any  
 1817 registered dealer, subject, however, to the further order of the  
 1818 office. In order to determine if an offering is fair, just, and  
 1819 equitable, the commission may by rule establish requirements and  
 1820 standards for the filing, content, and circulation of any  
 1821 preliminary, final, or amended prospectus and other sales  
 1822 literature and may by rule establish merit qualification  
 1823 criteria relating to the issuance of equity securities, debt  
 1824 securities, insurance company securities, real estate investment  
 1825 trusts, and other traditional and nontraditional investments,

1826 ~~including, but not limited to, oil and gas investments. The~~  
 1827 ~~criteria may include such elements as the promoter's equity~~  
 1828 ~~investment ratio, the financial condition of the issuer, the~~  
 1829 ~~voting rights of shareholders, the grant of options or warrants~~  
 1830 ~~to underwriters and others, loans and other affiliated~~  
 1831 ~~transaction, the use or refund of proceeds of the offering, and~~  
 1832 ~~such other relevant criteria as the office in its judgment may~~  
 1833 ~~deem necessary to such determination.~~

1834 Section 11. Subsection (2) of section 517.101, Florida  
 1835 Statutes, is amended to read:

1836 517.101 Consent to service.—

1837 (2) Any such action must ~~shall~~ be brought either in the  
 1838 county of the plaintiff's residence or in the county in which  
 1839 the office has its official headquarters. The written consent  
 1840 must ~~shall~~ be authenticated by the seal of the ~~said~~ issuer, if  
 1841 it has a seal, and by the acknowledged signature of a director,  
 1842 manager, managing member, general partner, trustee, or officer  
 1843 of the issuer ~~member of the copartnership or company, or by the~~  
 1844 ~~acknowledged signature of any officer of the incorporated or~~  
 1845 ~~unincorporated association, if it be an incorporated or~~  
 1846 ~~unincorporated association, duly authorized by resolution of the~~  
 1847 ~~board of directors, trustees, or managers of the corporation or~~  
 1848 ~~association, and must ~~shall~~ in such case be accompanied by a~~  
 1849 ~~duly certified copy of the resolution of the issuer's board of~~  
 1850 ~~directors, trustees, managers, managing members, or general~~

1851 ~~partners or managers of the corporation or association,~~  
 1852 authorizing the signer to execute the consent officers to  
 1853 ~~execute the same.~~ In case any process or pleadings mentioned in  
 1854 this chapter are served upon the office, service must ~~it shall~~  
 1855 be by duplicate copies, one of which must ~~shall~~ be filed in the  
 1856 office and the other ~~another~~ immediately forwarded by the office  
 1857 by registered mail to the principal office of the issuer against  
 1858 which the said ~~the~~ process or pleadings are directed.

1859 Section 12. Section 517.131, Florida Statutes, is amended  
 1860 to read:

1861 517.131 Securities Guaranty Fund.—

1862 (1) As used in this section, the term "final judgment"  
 1863 includes an arbitration award confirmed by a court of competent  
 1864 jurisdiction.

1865 (2)(a) The Chief Financial Officer shall establish a  
 1866 Securities Guaranty Fund to provide monetary relief to victims  
 1867 of securities violations under this chapter who are entitled to  
 1868 monetary damages or restitution and cannot recover the full  
 1869 amount of such monetary damages or restitution from the  
 1870 wrongdoer. An amount not exceeding 20 percent of all revenues  
 1871 received as assessment fees pursuant to s. 517.12(9) and (10)  
 1872 for dealers and investment advisers or s. 517.1201 for federal  
 1873 covered advisers and an amount not exceeding 10 percent of all  
 1874 revenues received as assessment fees pursuant to s. 517.12(9)  
 1875 and (10) for associated persons must ~~shall~~ be part of the

1876 regular registration ~~license~~ fee and must ~~shall~~ be transferred  
 1877 to or deposited in the Securities Guaranty Fund.

1878 (b) If the balance in the Securities Guaranty Fund at any  
 1879 time exceeds \$1.5 million, transfer of assessment fees to the  
 1880 ~~this~~ fund must ~~shall~~ be discontinued at the end of that  
 1881 registration ~~license~~ year, and transfer of such assessment fees  
 1882 may ~~shall~~ not resume ~~be resumed~~ unless the fund balance is  
 1883 reduced below \$1 million by disbursement made in accordance with  
 1884 s. 517.141.

1885 ~~(2) The Securities Guaranty Fund shall be disbursed as~~  
 1886 ~~provided in s. 517.141 to a person who is adjudged by a court of~~  
 1887 ~~competent jurisdiction to have suffered monetary damages as a~~  
 1888 ~~result of any of the following acts committed by a dealer,~~  
 1889 ~~investment adviser, or associated person who was licensed under~~  
 1890 ~~this chapter at the time the act was committed:~~

1891 ~~(a) A violation of s. 517.07.~~

1892 ~~(b) A violation of s. 517.301.~~

1893 (3) A ~~Any~~ person is eligible for payment ~~to seek recovery~~  
 1894 from the Securities Guaranty Fund if:

1895 (a) The act for which recovery is sought occurred on or  
 1896 after October 1, 2024, and the person:

1897 1. Holds an unsatisfied final judgment in which a  
 1898 wrongdoer was found to have violated s. 517.07 or s. 517.301;

1899 2. Has applied any amount recovered from the judgment  
 1900 debtor or any other source to the damages awarded by the court

1901 or arbitrator; and

1902 3. Is a natural person who was a resident of this state,  
 1903 or is a business entity that was domiciled in this state, at the  
 1904 time of the violation of s. 517.07 or s. 517.301; or

1905 (b) The person is a receiver appointed pursuant to s.  
 1906 517.191(2) by a court of competent jurisdiction for a wrongdoer  
 1907 ordered to pay restitution under s. 517.191(3) as a result of a  
 1908 violation of s. 517.07 or s. 517.301 which has requested payment  
 1909 from the Securities Guaranty Fund on behalf of a person eligible  
 1910 for payment under paragraph (a)

1911 ~~(a) Such person has received final judgment in a court of~~  
 1912 ~~competent jurisdiction in any action wherein the cause of action~~  
 1913 ~~was based on a violation of those sections referred to in~~  
 1914 ~~subsection (2).~~

1915 ~~(b) Such person has made all reasonable searches and~~  
 1916 ~~inquiries to ascertain whether the judgment debtor possesses~~  
 1917 ~~real or personal property or other assets subject to being sold~~  
 1918 ~~or applied in satisfaction of the judgment, and by her or his~~  
 1919 ~~search the person has discovered no property or assets; or she~~  
 1920 ~~or he has discovered property and assets and has taken all~~  
 1921 ~~necessary action and proceedings for the application thereof to~~  
 1922 ~~the judgment, but the amount thereby realized was insufficient~~  
 1923 ~~to satisfy the judgment. To verify compliance with such~~  
 1924 ~~condition, the office may require such person to have a writ of~~  
 1925 ~~execution be issued upon such judgment, may require a showing~~

1926 ~~that no personal or real property of the judgment debtor liable~~  
 1927 ~~to be levied upon in complete satisfaction of the judgment can~~  
 1928 ~~be found, or may require an affidavit from the claimant setting~~  
 1929 ~~forth the reasonable searches and inquiries undertaken and the~~  
 1930 ~~result of those searches and inquiries.~~

1931 ~~(c) Such person has applied any amounts recovered from the~~  
 1932 ~~judgment debtor, or from any other source, to the damages~~  
 1933 ~~awarded by the court.~~

1934 ~~(d) The act for which recovery is sought occurred on or~~  
 1935 ~~after January 1, 1979.~~

1936 ~~(e) The office waives compliance with the requirements of~~  
 1937 ~~paragraph (a) or paragraph (b). The office may waive such~~  
 1938 ~~compliance if the dealer, investment adviser, or associated~~  
 1939 ~~person which is the subject of the claim filed with the office~~  
 1940 ~~is the subject of any proceeding in which a receiver has been~~  
 1941 ~~appointed by a court of competent jurisdiction. If the office~~  
 1942 ~~waives such compliance, the office may, upon petition by the~~  
 1943 ~~debtor or the court-appointed trustee, examiner, or receiver,~~  
 1944 ~~distribute funds from the Securities Guaranty Fund up to the~~  
 1945 ~~amount allowed under s. 517.141. Any waiver granted pursuant to~~  
 1946 ~~this section shall be considered a judgment for purposes of~~  
 1947 ~~complying with the requirements of this section and of s.~~  
 1948 ~~517.141.~~

1949 (4) A person who has done any of the following is not  
 1950 eligible for payment from the Securities Guaranty Fund:

1951           (a) Participated or assisted in a violation of this  
 1952 chapter.

1953           (b) Attempted to commit or committed a violation of this  
 1954 chapter.

1955           (c) Profited from a violation of this chapter.

1956           (5) An eligible person, or a receiver on behalf of the  
 1957 eligible person, seeking payment from the Securities Guaranty  
 1958 Fund must file with the office a written application on a form  
 1959 that the commission may prescribe by rule. The commission may  
 1960 adopt by rule procedures for filing documents by electronic  
 1961 means, provided that such procedures provide the office with the  
 1962 information and data required by this section. The application  
 1963 must be filed with the office within 1 year after the date of  
 1964 the final judgment, the date on which a restitution order has  
 1965 been ripe for execution, or the date of any appellate decision  
 1966 thereon, and, at minimum, must contain all of the following  
 1967 information:

1968           (a) The eligible person's and, if applicable, the  
 1969 receiver's full name, address, and contact information.

1970           (b) The person ordered to pay restitution.

1971           (c) If the eligible person is a business entity, the  
 1972 eligible person's type and place of organization and, as  
 1973 applicable, a copy, as amended, of its articles of  
 1974 incorporation, articles of organization, trust agreement, or  
 1975 partnership agreement.

1976        (d) Any final judgment and a copy thereof.

1977        (e) Any restitution order pursuant to s. 517.191(3), and a  
 1978 copy thereof.

1979        (f) An affidavit from the eligible person stating either  
 1980 one of the following:

1981            1. That the eligible person has made all reasonable  
 1982 searches and inquiries to ascertain whether the judgment debtor  
 1983 possesses real or personal property or other assets subject to  
 1984 being sold or applied in satisfaction of the final judgment and,  
 1985 by the eligible person's search, that the eligible person has  
 1986 not discovered any property or assets.

1987            2. That the eligible person has taken necessary action on  
 1988 the property and assets of the wrongdoers but the final judgment  
 1989 remains unsatisfied.

1990        (g) If the application is filed by the receiver, an  
 1991 affidavit from the receiver stating the amount of restitution  
 1992 owed to the eligible person on whose behalf the claim is filed;  
 1993 the amount of any money, property, or assets paid to the  
 1994 eligible person on whose behalf the claim is filed by the person  
 1995 over whom the receiver is appointed; and the amount of any  
 1996 unsatisfied portion of any eligible person's order of  
 1997 restitution.

1998        (h) The eligible person's residence or domicile at the  
 1999 time of the violation of s. 517.07 or s. 517.301 which resulted  
 2000 in the eligible person's monetary damages.



2001            (i) The amount of any unsatisfied portion of the eligible  
 2002 person's final judgment.

2003            (j) Whether an appeal or motion to vacate an arbitration  
 2004 award has been filed.

2005            (6) If the office finds that a person is eligible for  
 2006 payment from the Securities Guaranty Fund and if the person has  
 2007 complied with this section and the rules adopted under this  
 2008 section, the office must approve payment to such person from the  
 2009 fund. Within 90 days after the office's receipt of a complete  
 2010 application, each eligible person or receiver must be given  
 2011 written notice, personally or by mail, that the office intends  
 2012 to approve or deny, or has approved or denied, the application  
 2013 for payment from the Securities Guaranty Fund.

2014            (7) Upon receipt by the eligible person or receiver of  
 2015 notice of the office's decision that the eligible person's or  
 2016 receiver's application for payment from the Securities Guaranty  
 2017 Fund is approved, and before any disbursement, the eligible  
 2018 person shall assign to the office on a form prescribed by  
 2019 commission rule all right, title, and interest in the final  
 2020 judgment or order of restitution equal to the amount of such  
 2021 payment.

2022            (8) The office shall deem an application for payment from  
 2023 the Securities Guaranty Fund abandoned if the eligible person or  
 2024 receiver, or any person acting on behalf of the eligible person  
 2025 or receiver, fails to timely complete the application as

2026 prescribed by commission rule. The time period to complete an  
 2027 application must be tolled during the pendency of an appeal or  
 2028 motion to vacate an arbitration award.

2029 ~~(4) Any person who files an action that may result in the~~  
 2030 ~~disbursement of funds from the Securities Guaranty Fund pursuant~~  
 2031 ~~to the provisions of s. 517.141 shall give written notice by~~  
 2032 ~~certified mail to the office as soon as practicable after such~~  
 2033 ~~action has been filed. The failure to give such notice shall not~~  
 2034 ~~bar a payment from the Securities Guaranty Fund if all of the~~  
 2035 ~~conditions specified in subsection (3) are satisfied.~~

2036 ~~(5) The commission may adopt rules pursuant to ss.~~  
 2037 ~~120.536(1) and 120.54 specifying the procedures for complying~~  
 2038 ~~with subsections (2), (3), and (4), including rules for the form~~  
 2039 ~~of submission and guidelines for the sufficiency and content of~~  
 2040 ~~submissions of notices and claims.~~

2041 Section 13. Section 517.141, Florida Statutes, is amended  
 2042 to read:

2043 517.141 Payment from the fund.-

2044 (1) As used in this section, the term:

2045 (a) "Claimant" means a person determined eligible for  
 2046 payment under s. 517.131 that is approved by the office for  
 2047 payment from the Securities Guaranty Fund.

2048 (b) "Final judgment" includes an arbitration award  
 2049 confirmed by a court of competent jurisdiction.

2050 (c) "Specified adult" has the same meaning as in s.

2051 517.34(1).

2052 (2) A claimant is entitled to disbursement from the

2053 Securities Guaranty Fund in the amount equal to the lesser of:

2054 (a) The unsatisfied portion of the claimant's final

2055 judgment or final order of restitution, but only to the extent

2056 that the final judgment or final order of restitution reflects

2057 actual or compensatory damages, excluding postjudgment interest,

2058 costs, and attorney fees; or

2059 (b)1. The sum of \$15,000; or

2060 2. If the claimant is a specified adult or if a specified

2061 adult is a beneficial owner or beneficiary of the claimant, the

2062 sum of \$25,000 ~~Any person who meets all of the conditions~~

2063 ~~prescribed in s. 517.131 may apply to the office for payment to~~

2064 ~~be made to such person from the Securities Guaranty Fund in the~~

2065 ~~amount equal to the unsatisfied portion of such person's~~

2066 ~~judgment or \$10,000, whichever is less, but only to the extent~~

2067 ~~and amount reflected in the judgment as being actual or~~

2068 ~~compensatory damages, excluding postjudgment interest, costs,~~

2069 ~~and attorney's fees.~~

2070 (3) ~~(2)~~ Regardless of the number of claims or claimants

2071 involved, payments for claims are ~~shall be~~ limited in the

2072 aggregate to \$250,000 ~~\$100,000~~ against any one ~~dealer,~~

2073 ~~investment adviser, or associated person.~~ If the total claim

2074 filed by a receiver on behalf of multiple claimants exceeds

2075 ~~claims exceed~~ the aggregate limit of \$250,000 ~~\$100,000~~, the

2076 office must ~~shall~~ prorate the payment to each claimant based  
 2077 upon the ratio that each claimant's individual ~~the person's~~  
 2078 claim bears to the total claim ~~claims~~ filed.

2079 (4) If at any time the balance in the Securities Guaranty  
 2080 Fund is insufficient to satisfy a valid claim or portion of a  
 2081 valid claim approved by the office, the office must satisfy the  
 2082 unpaid claim or portion of the valid claim as soon as a  
 2083 sufficient amount of money has been deposited into or  
 2084 transferred to the Securities Guaranty Fund. If more than one  
 2085 unsatisfied claim is outstanding, the claims must be paid in the  
 2086 sequence in which the claims were approved by final order of the  
 2087 office, which final order is not subject to an appeal or other  
 2088 pending proceeding.

2089 (5) All payments and disbursements made from the  
 2090 Securities Guaranty Fund must be made by the Chief Financial  
 2091 Officer, or his or her designee, upon authorization by the  
 2092 office. The office shall submit such authorization within 30  
 2093 days after the approval of an eligible person for payment from  
 2094 the Securities Guaranty Fund

2095 ~~(3) No payment shall be made on any claim against any one~~  
 2096 ~~dealer, investment adviser, or associated person before the~~  
 2097 ~~expiration of 2 years from the date any claimant is found by the~~  
 2098 ~~office to be eligible for recovery pursuant to this section. If~~  
 2099 ~~during this 2-year period more than one claim is filed against~~  
 2100 ~~the same dealer, investment adviser, or associated person, or if~~

2101 ~~the office receives notice pursuant to s. 517.131(4) that an~~  
 2102 ~~action against the same dealer, investment adviser, or~~  
 2103 ~~associated person is pending, all such claims and notices of~~  
 2104 ~~pending claims received during this period against the same~~  
 2105 ~~dealer, investment adviser, or associated person may be handled~~  
 2106 ~~by the office as provided in this section. Two years after the~~  
 2107 ~~first claimant against that same dealer, investment adviser, or~~  
 2108 ~~associated person applies for payment pursuant to this section:~~

2109 ~~(a) The office shall determine those persons eligible for~~  
 2110 ~~payment or for potential payment in the event of a pending~~  
 2111 ~~action. All such persons may be entitled to receive their pro~~  
 2112 ~~rata shares of the fund as provided in this section.~~

2113 ~~(b) Those persons who meet all the conditions prescribed~~  
 2114 ~~in s. 517.131 and who have applied for payment pursuant to this~~  
 2115 ~~section will be entitled to receive their pro rata shares of the~~  
 2116 ~~total disbursement.~~

2117 ~~(c) Those persons who have filed notice with the office of~~  
 2118 ~~a pending claim pursuant to s. 517.131(4) but who are not yet~~  
 2119 ~~eligible for payment from the fund will be entitled to receive~~  
 2120 ~~their pro rata shares of the total disbursement once they have~~  
 2121 ~~complied with subsection (1). However, in the event that the~~  
 2122 ~~amounts they are eligible to receive pursuant to subsection (1)~~  
 2123 ~~are less than their pro rata shares as determined under this~~  
 2124 ~~section, any excess shall be distributed pro rata to those~~  
 2125 ~~persons entitled to disbursement under this subsection whose pro~~

2126 ~~rata shares of the total disbursement were less than the amounts~~  
 2127 ~~of their claims.~~

2128 (6)~~(4)~~ Individual claims filed by persons owning the same  
 2129 joint account, or claims arising ~~stemming~~ from any other type of  
 2130 account ~~maintained by a particular licensee~~ on which more than  
 2131 one name appears, must ~~shall~~ be treated as the claims of one  
 2132 eligible claimant with respect to payment from the Securities  
 2133 Guaranty Fund. If a claimant who has obtained a final judgment  
 2134 or final order of restitution that ~~which~~ qualifies for  
 2135 disbursement under s. 517.131 has maintained more than one  
 2136 account with the ~~dealer, investment adviser, or associated~~  
 2137 person who is the subject of the claims, for purposes of  
 2138 disbursement of the Securities Guaranty Fund, all such accounts,  
 2139 whether joint or individual, must ~~shall~~ be considered as one  
 2140 account and ~~shall~~ entitle such claimant to only one distribution  
 2141 from the fund ~~not to exceed the lesser of \$10,000 or the~~  
 2142 ~~unsatisfied portion of such claimant's judgment as provided in~~  
 2143 ~~subsection (1)~~. To the extent that a claimant obtains more than  
 2144 one final judgment or final order of restitution against a  
 2145 person ~~dealer, investment adviser, or one or more associated~~  
 2146 ~~persons~~ arising out of the same transactions, occurrences, or  
 2147 conduct or out of such ~~the dealer's, investment adviser's, or~~  
 2148 ~~associated~~ person's handling of the claimant's account, the  
 2149 final ~~such~~ judgments or final orders of restitution ~~shall~~  
 2150 be consolidated for purposes of this section and ~~shall~~ entitle

2151 the claimant to only one disbursement from the fund ~~not to~~  
 2152 ~~exceed the lesser of \$10,000 or the unsatisfied portion of such~~  
 2153 ~~claimant's judgment as provided in subsection (1).~~

2154 (7)~~(5)~~ If the final judgment or final order of restitution  
 2155 that gave rise to the claim is overturned in any appeal or in  
 2156 any collateral proceeding, the claimant must ~~shall~~ reimburse the  
 2157 Securities Guaranty Fund all amounts paid from the fund to the  
 2158 claimant on the claim. If the claimant satisfies the final  
 2159 judgment or final order of restitution ~~specified in s.~~  
 2160 ~~517.131(3)(a)~~, the claimant must ~~shall~~ reimburse the Securities  
 2161 Guaranty Fund all amounts paid from the fund to the claimant on  
 2162 the claim. Such reimbursement must ~~shall~~ be paid to the  
 2163 Department of Financial Services ~~office~~ within 60 days after the  
 2164 final resolution of the appellate or collateral proceedings or  
 2165 the satisfaction of the final judgment or order of restitution,  
 2166 with the 60-day period commencing on the date the final order or  
 2167 decision is entered in such proceedings.

2168 (8)~~(6)~~ If a claimant receives payments in excess of that  
 2169 which is permitted under this chapter, the claimant must ~~shall~~  
 2170 reimburse the Securities Guaranty Fund such excess within 60  
 2171 days after the claimant receives such excess payment or after  
 2172 the payment is determined to be in excess of that permitted by  
 2173 law, whichever is later.

2174 (9) A claimant who knowingly and willfully files or causes  
 2175 to be filed an application under s. 517.131 or documents

2176 supporting the application, any of which contain false,  
 2177 incomplete, or misleading information in any material aspect,  
 2178 forfeits all payments from the Securities Guaranty Fund and  
 2179 commits a violation of s. 517.301(1)(c).

2180 (10)-(7) The Department of Financial Services office may  
 2181 institute legal proceedings to enforce compliance with this  
 2182 section and with s. 517.131 to recover moneys owed to the  
 2183 Securities Guaranty Fund, and is shall be entitled to recover  
 2184 interest, costs, and attorney attorney's fees in any action  
 2185 brought pursuant to this section in which the department office  
 2186 prevails.

2187 ~~(8) If at any time the money in the Securities Guaranty~~  
 2188 ~~Fund is insufficient to satisfy any valid claim or portion of a~~  
 2189 ~~valid claim approved by the office, the office shall satisfy~~  
 2190 ~~such unpaid claim or portion of such valid claim as soon as a~~  
 2191 ~~sufficient amount of money has been deposited in or transferred~~  
 2192 ~~to the fund. When there is more than one unsatisfied claim~~  
 2193 ~~outstanding, such claims shall be paid in the order in which the~~  
 2194 ~~claims were approved by final order of the office, which order~~  
 2195 ~~is not subject to an appeal or other pending proceeding.~~

2196 ~~(9) Upon receipt by the claimant of the payment from the~~  
 2197 ~~Securities Guaranty Fund, the claimant shall assign any~~  
 2198 ~~additional right, title, and interest in the judgment, to the~~  
 2199 ~~extent of such payment, to the office. If the provisions of s.~~  
 2200 ~~517.131(3)(c) apply, the claimant must assign to the office any~~



2201 ~~right, title, and interest in the debt to the extent of any~~  
 2202 ~~payment by the office from the Securities Guaranty Fund.~~

2203 ~~(10) All payments and disbursements made from the~~  
 2204 ~~Securities Guaranty Fund shall be made by the Chief Financial~~  
 2205 ~~Officer upon authorization signed by the director of the office,~~  
 2206 ~~or such agent as she or he may designate.~~

2207 Section 14. Section 517.191, Florida Statutes, is amended  
 2208 to read:

2209 517.191 Enforcement by the Office of Financial Regulation  
 2210 ~~Injunction to restrain violations; civil penalties; enforcement~~  
 2211 ~~by Attorney General.-~~

2212 (1) When it appears to the office, either upon complaint  
 2213 or otherwise, that a person has engaged or is about to engage in  
 2214 any act or practice constituting a violation of this chapter or  
 2215 a rule or order hereunder, the office may investigate; and  
 2216 whenever it shall believe from evidence satisfactory to it that  
 2217 any such person has engaged, is engaged, or is about to engage  
 2218 in any act or practice constituting a violation of this chapter  
 2219 or a rule or order hereunder, the office may, in addition to any  
 2220 other remedies, bring action in the name and on behalf of the  
 2221 state against such person and any other person concerned in or  
 2222 in any way participating in or about to participate in such  
 2223 practices or engaging therein or doing any act or acts in  
 2224 furtherance thereof or in violation of this chapter to enjoin  
 2225 such person or persons from continuing such fraudulent practices

2226 or engaging therein or doing any act or acts in furtherance  
 2227 thereof or in violation of this chapter. In any such court  
 2228 proceedings, the office may apply for, and on due showing be  
 2229 entitled to have issued, the court's subpoena requiring  
 2230 forthwith the appearance of any defendant and her or his  
 2231 employees, associated persons, or agents and the production of  
 2232 documents, books, and records that may appear necessary for the  
 2233 hearing of such petition, to testify or give evidence concerning  
 2234 the acts or conduct or things complained of in such application  
 2235 for injunction. In such action, the ~~equity~~ courts shall have  
 2236 jurisdiction of the subject matter, and a judgment may be  
 2237 entered awarding such injunction as may be proper.

2238 (2) In addition to all other means provided by law for the  
 2239 enforcement of any temporary restraining order, temporary  
 2240 injunction, or permanent injunction issued in any such court  
 2241 proceedings, the court shall have the power and jurisdiction,  
 2242 upon application of the office, to impound and to appoint a  
 2243 receiver or administrator for the property, assets, and business  
 2244 of the defendant, including, but not limited to, the books,  
 2245 records, documents, and papers appertaining thereto. Such  
 2246 receiver or administrator, when appointed and qualified, shall  
 2247 have all powers and duties as to custody, collection,  
 2248 administration, winding up, and liquidation of such ~~said~~  
 2249 property and business as may ~~shall from time to time~~ be  
 2250 conferred upon her or him by the court. In any such action, the

2251 court may issue orders and decrees staying all pending suits and  
 2252 enjoining any further suits affecting the receiver's or  
 2253 administrator's custody or possession of such ~~the said~~ property,  
 2254 assets, and business or, in its discretion, may with the consent  
 2255 of the presiding judge of the circuit require that all such  
 2256 suits be assigned to the circuit court judge appointing such ~~the~~  
 2257 ~~said~~ receiver or administrator.

2258 (3) In addition to, or in lieu of, any other remedies  
 2259 provided by this chapter, the office may apply to the court  
 2260 hearing the ~~this~~ matter for an order directing the defendant to  
 2261 make restitution of those sums shown by the office to have been  
 2262 obtained in violation of ~~any of the provisions of~~ this chapter.  
 2263 The office has standing to request such restitution on behalf of  
 2264 victims in cases brought by the office under this chapter,  
 2265 regardless of the appointment of an administrator or receiver  
 2266 under subsection (2) or an injunction under subsection (1).  
 2267 Further, such restitution must ~~shall~~, at the option of the  
 2268 court, be payable to the administrator or receiver appointed  
 2269 pursuant to this section or directly to the persons whose assets  
 2270 were obtained in violation of this chapter.

2271 (4) In addition to any other remedies provided by this  
 2272 chapter, the office may apply to the court hearing the matter  
 2273 for, and the court has ~~shall have~~ jurisdiction to impose, a  
 2274 civil penalty against any person found to have violated ~~any~~  
 2275 ~~provision of~~ this chapter, any rule or order adopted by the

2276 | commission or the office, or any written agreement entered into  
 2277 | with the office in an amount not to exceed any of the following:

2278 |       (a) The greater of \$20,000 ~~\$10,000~~ for a natural person or  
 2279 | \$25,000 for a business entity ~~any other person~~, or the gross  
 2280 | amount of any pecuniary loss to investors or pecuniary gain to a  
 2281 | natural person or business entity ~~such defendant~~ for each such  
 2282 | violation, other than a violation of s. 517.301, plus the  
 2283 | greater of \$50,000 for a natural person or \$250,000 for a  
 2284 | business entity ~~any other person~~, or the gross amount of any  
 2285 | pecuniary loss to investors or pecuniary gain to a natural  
 2286 | person or business entity ~~such defendant~~ for each violation of  
 2287 | s. 517.301.

2288 |       (b) Twice the amount of the civil penalty that would  
 2289 | otherwise be imposed under this subsection if a specified adult,  
 2290 | as defined in s. 517.34(1), is the victim of a violation of this  
 2291 | chapter.

2292 |  
 2293 | All civil penalties collected pursuant to this subsection must  
 2294 | ~~shall~~ be deposited into the Anti-Fraud Trust Fund. The office  
 2295 | may recover any costs and attorney fees related to its  
 2296 | investigation or enforcement of this section. Notwithstanding  
 2297 | any other law, such moneys recovered by the office must be  
 2298 | deposited into the Anti-Fraud Trust Fund.

2299 |       (5) For purposes of any action brought by the office under  
 2300 | this section, a control person who controls any person found to

2301 have violated this chapter or any rule adopted thereunder is  
 2302 jointly and severally liable with, and to the same extent as,  
 2303 the controlled person in any action brought by the office under  
 2304 this section unless the control person can establish by a  
 2305 preponderance of the evidence that he or she acted in good faith  
 2306 and did not directly or indirectly induce the act that  
 2307 constitutes the violation or cause of action.

2308 (6) For purposes of any action brought by the office under  
 2309 this section, a person who knowingly or recklessly provides  
 2310 substantial assistance to another person in violation of this  
 2311 chapter or any rule adopted thereunder is deemed to violate this  
 2312 chapter or the rule to the same extent as the person to whom  
 2313 such assistance is provided.

2314 (7) The office may issue and serve upon a person a cease  
 2315 and desist order if the office has reason to believe that the  
 2316 person violates, has violated, or is about to violate this  
 2317 chapter, any commission or office rule or order, or any written  
 2318 agreement entered into with the office.

2319 (8) If the office finds that any conduct described in  
 2320 subsection (7) presents an immediate danger to the public,  
 2321 requiring an immediate final order, the office may issue an  
 2322 emergency cease and desist order reciting with particularity the  
 2323 facts underlying such findings. The emergency cease and desist  
 2324 order is effective immediately upon service of a copy of the  
 2325 order on the respondent named in the order and remains effective

2326 for 90 days after issuance. If the office begins nonemergency  
 2327 cease and desist proceedings under subsection (7), the emergency  
 2328 cease and desist order remains effective until the conclusion of  
 2329 the proceedings under ss. 120.569 and 120.57.

2330 (9) The office may impose and collect an administrative  
 2331 fine against any person found to have violated any provision of  
 2332 this chapter, any rule or order adopted by the commission or  
 2333 office, or any written agreement entered into with the office in  
 2334 an amount not to exceed the penalties provided in subsection  
 2335 (4). All fines collected under this subsection must be deposited  
 2336 into the Anti-Fraud Trust Fund.

2337 (10) The office may bar, permanently or for a specific  
 2338 period of time, any person found to have violated this chapter,  
 2339 any rule or order adopted by the commission or office, or any  
 2340 written agreement entered into with the office from submitting  
 2341 an application or notification for a license or registration  
 2342 with the office.

2343 (11) In addition to all other means provided by law for  
 2344 enforcing ~~any of the provisions of~~ this chapter, when the  
 2345 Attorney General, upon complaint or otherwise, has reason to  
 2346 believe that a person has engaged or is engaged in any act or  
 2347 practice constituting a violation of s. 517.275 ~~or,~~ s. 517.301,  
 2348 ~~s. 517.311, or s. 517.312,~~ or any rule or order issued under  
 2349 such sections, the Attorney General may investigate and bring an  
 2350 action to enforce these provisions as provided in ss. 517.171,

2351 517.201, and 517.2015 after receiving written approval from the  
 2352 office. Such an action may be brought against such person and  
 2353 any other person in any way participating in such act or  
 2354 practice or engaging in such act or practice or doing any act in  
 2355 furtherance of such act or practice, to obtain injunctive  
 2356 relief, restitution, civil penalties, and any remedies provided  
 2357 for in this section. The Attorney General may recover any costs  
 2358 and attorney fees related to the Attorney General's  
 2359 investigation or enforcement of this section. Notwithstanding  
 2360 any other provision of law, moneys recovered by the Attorney  
 2361 General for costs, attorney fees, and civil penalties for a  
 2362 violation of s. 517.275 or, s. 517.301, ~~s. 517.311, or s.~~  
 2363 ~~517.312,~~ or any rule or order issued pursuant to such sections,  
 2364 must ~~shall~~ be deposited in the Legal Affairs Revolving Trust  
 2365 Fund. The Legal Affairs Revolving Trust Fund may be used to  
 2366 investigate and enforce this section.

2367 ~~(12)(6)~~ This section does not limit the authority of the  
 2368 office to bring an administrative action against any person that  
 2369 is the subject of a civil action brought pursuant to this  
 2370 section or limit the authority of the office to engage in  
 2371 investigations or enforcement actions with the Attorney General.  
 2372 However, a person may not be subject to both a civil penalty  
 2373 under subsection (4) and an administrative fine under subsection  
 2374 (9) ~~s. 517.221(3)~~ as the result of the same facts.

2375 ~~(13)(7)~~ Notwithstanding s. 95.11(4)(f), an enforcement

2376 action brought under this section based on a violation of ~~any~~  
 2377 ~~provision of~~ this chapter or any rule or order issued under this  
 2378 chapter shall be brought within 6 years after the facts giving  
 2379 rise to the cause of action were discovered or should have been  
 2380 discovered with the exercise of due diligence, but not more than  
 2381 8 years after the date such violation occurred.

2382 (14) This chapter does not limit any statutory right of  
 2383 the state to punish a person for a violation of a law.

2384 (15) When not in conflict with the Constitution or laws of  
 2385 the United States, the courts of this state have the same  
 2386 jurisdiction over civil suits instituted in connection with the  
 2387 sale or offer of sale of securities under any laws of the United  
 2388 States as the courts of this state may have with regard to  
 2389 similar cases instituted under the laws of this state.

2390 Section 15. Section 517.211, Florida Statutes, is amended  
 2391 to read:

2392 517.211 Private remedies available in cases of unlawful  
 2393 sale.—

2394 (1) Every sale made in violation of either s. 517.07 or s.  
 2395 517.12(1), (3), (4), (8), (10), (12), (15), or (17) may be  
 2396 rescinded at the election of the purchaser; however, ~~except~~ a  
 2397 sale made in violation of the provisions of s. 517.1202(3)  
 2398 relating to a renewal of a branch office notification or ~~shall~~  
 2399 ~~not be subject to this section, and a sale made in violation of~~  
 2400 the provisions of s. 517.12(12) relating to filing a change of



2401 address amendment is ~~shall~~ not be subject to this section. Each  
 2402 person making the sale and every director, officer, partner, or  
 2403 agent of or for the seller, if the director, officer, partner,  
 2404 or agent has personally participated or aided in making the  
 2405 sale, is jointly and severally liable to the purchaser in an  
 2406 action for rescission, if the purchaser still owns the security,  
 2407 or for damages, if the purchaser has sold the security. No  
 2408 purchaser otherwise entitled will have the benefit of this  
 2409 subsection who has refused or failed, within 30 days after ~~of~~  
 2410 receipt, to accept an offer made in writing by the seller, if  
 2411 the purchaser has not sold the security, to take back the  
 2412 security in question and to refund the full amount paid by the  
 2413 purchaser or, if the purchaser has sold the security, to pay the  
 2414 purchaser an amount equal to the difference between the amount  
 2415 paid for the security and the amount received by the purchaser  
 2416 on the sale of the security, together, in either case, with  
 2417 interest on the full amount paid for the security by the  
 2418 purchaser at the legal rate, pursuant to s. 55.03, for the  
 2419 period from the date of payment by the purchaser to the date of  
 2420 repayment, less the amount of any income received by the  
 2421 purchaser on the security.

2422 (2) Any person purchasing or selling a security in  
 2423 violation of s. 517.301, and every director, officer, partner,  
 2424 or agent of or for the purchaser or seller, if the director,  
 2425 officer, partner, or agent has personally participated or aided

2426 in making the sale or purchase, is jointly and severally liable  
 2427 to the person selling the security to or purchasing the security  
 2428 from such person in an action for rescission, if the plaintiff  
 2429 still owns the security, or for damages, if the plaintiff has  
 2430 sold the security.

2431 (3) For purposes of any action brought under this section,  
 2432 a control person who controls any person found to have violated  
 2433 any provision specified in subsection (1) is jointly and  
 2434 severally liable with, and to the same extent as, such  
 2435 controlled person in any action brought under this section  
 2436 unless the control person can establish by a preponderance of  
 2437 the evidence that he or she acted in good faith and did not  
 2438 directly or indirectly induce the act that constitutes the  
 2439 violation or cause of action.

2440 (4) In an action for rescission:

2441 (a) A purchaser may recover the consideration paid for the  
 2442 security or investment, plus interest thereon at the legal rate  
 2443 from the date of purchase, less the amount of any income  
 2444 received by the purchaser on the security or investment upon  
 2445 tender of the security or investment.

2446 (b) A seller may recover the security upon tender of the  
 2447 consideration paid for the security, plus interest at the legal  
 2448 rate from the date of purchase, less the amount of any income  
 2449 received by the defendant on the security.

2450 ~~(5)-(4)~~ In an action for damages brought by a purchaser of

2451 a security or investment, the plaintiff must ~~shall~~ recover an  
 2452 amount equal to the difference between:

2453 (a) The consideration paid for the security or investment,  
 2454 plus interest thereon at the legal rate from the date of  
 2455 purchase; and

2456 (b) The value of the security or investment at the time it  
 2457 was disposed of by the plaintiff, plus the amount of any income  
 2458 received on the security or investment by the plaintiff.

2459 (6)~~(5)~~ In an action for damages brought by a seller of a  
 2460 security, the plaintiff shall recover an amount equal to the  
 2461 difference between:

2462 (a) The value of the security at the time of the  
 2463 complaint, plus the amount of any income received by the  
 2464 defendant on the security; and

2465 (b) The consideration received for the security, plus  
 2466 interest at the legal rate from the date of sale.

2467 (7)~~(6)~~ In any action brought under this section, including  
 2468 an appeal, the court shall award reasonable attorney ~~attorneys'~~  
 2469 fees to the prevailing party unless the court finds that the  
 2470 award of such fees would be unjust.

2471 (8) This chapter does not limit any statutory or common-  
 2472 law right of a person to bring an action in a court for an act  
 2473 involved in the sale of securities or investments.

2474 (9) The same civil remedies provided by the laws of the  
 2475 United States for the purchasers or sellers of securities in

2476 interstate commerce also extend to purchasers or sellers of  
 2477 securities under this chapter.

2478 Section 16. Section 517.221, Florida Statutes, is  
 2479 repealed.

2480 Section 17. Section 517.241, Florida Statutes, is  
 2481 repealed.

2482 Section 18. Section 517.301, Florida Statutes, is amended  
 2483 to read:

2484 517.301 Fraudulent transactions; falsification or  
 2485 concealment of facts.—

2486 (1) It is unlawful and a violation of ~~the provisions of~~  
 2487 this chapter for a person:

2488 (a) In connection with the rendering of any investment  
 2489 advice or in connection with the offer, sale, or purchase of any  
 2490 investment or security, including any security exempted under  
 2491 ~~the provisions of~~ s. 517.051 and including any security sold in  
 2492 a transaction exempted under ~~the provisions of~~ s. 517.061, s.  
 2493 517.0611, or s. 517.0612, directly or indirectly:

- 2494 1. To employ any device, scheme, or artifice to defraud;
- 2495 2. To obtain money or property by means of any untrue  
 2496 statement of a material fact or any omission to state a material  
 2497 fact necessary in order to make the statements made, in the  
 2498 light of the circumstances under which they were made, not  
 2499 misleading; or
- 2500 3. To engage in any transaction, practice, or course of

2501 business which operates or would operate as a fraud or deceit  
 2502 upon a person.

2503 (b) By use of any means, to publish, give publicity to, or  
 2504 circulate any notice, circular, advertisement, newspaper,  
 2505 article, letter, investment service, communication, or broadcast  
 2506 that, although ~~which, though~~ not purporting to offer a security  
 2507 for sale, describes such security for a consideration received  
 2508 or to be received directly or indirectly from an issuer,  
 2509 underwriter, or dealer, or from an agent or employee of an  
 2510 issuer, underwriter, or dealer, without fully disclosing the  
 2511 receipt, whether past or prospective, of such consideration and  
 2512 the amount of the consideration.

2513 (c) In any matter within the jurisdiction of the office,  
 2514 to knowingly and willfully falsify, conceal, or cover up, by any  
 2515 trick, scheme, or device, a material fact, make any false,  
 2516 fictitious, or fraudulent statement or representation, or make  
 2517 or use any false writing or document, knowing the same to  
 2518 contain any false, fictitious, or fraudulent statement or entry.

2519 (2) For purposes of ~~ss. 517.311 and 517.312 and~~ this  
 2520 section, the term "investment" means any commitment of money or  
 2521 property principally induced by a representation that an  
 2522 economic benefit may be derived from such commitment, except  
 2523 that the term does not include a commitment of money or property  
 2524 for:

2525 (a) The purchase of a business opportunity, business

2526 enterprise, or real property through a person licensed under  
 2527 chapter 475 or registered under former chapter 498; or

2528 (b) The purchase of tangible personal property through a  
 2529 person not engaged in telephone solicitation, electronic mail,  
 2530 text messages, social media, or other electronic means where  
 2531 ~~said property is offered and sold in accordance with the~~  
 2532 ~~following conditions:~~

2533 1. ~~there are no specific representations or guarantees~~  
 2534 ~~made by the offeror or seller as to the economic benefit to be~~  
 2535 ~~derived from the purchase.~~

2536 2. ~~The tangible property is delivered to the purchaser~~  
 2537 ~~within 30 days after sale, except that such 30-day period may be~~  
 2538 ~~extended by the office if market conditions so warrant; and~~

2539 3. ~~The seller has offered the purchaser a full refund~~  
 2540 ~~policy in writing, exercisable by the purchaser within 10 days~~  
 2541 ~~of the date of delivery of such tangible personal property,~~  
 2542 ~~except that the amount of such refund may not exceed the bid~~  
 2543 ~~price in effect at the time the property is returned to the~~  
 2544 ~~seller. If the applicable sellers' market is closed at the time~~  
 2545 ~~the property is returned to the seller for a refund, the amount~~  
 2546 ~~of such refund shall be based on the bid price for such property~~  
 2547 ~~at the next opening of such market.~~

2548 (3) It is unlawful for a person in issuing or selling a  
 2549 security within this state, including a security exempted under  
 2550 s. 517.051 and including a transaction exempted under s.

2551 517.061, s. 517.0611, or s. 517.0612, to misrepresent that such  
 2552 security or business entity has been guaranteed, sponsored,  
 2553 recommended, or approved by the state or an agency or officer of  
 2554 the state or by the United States or an agency or officer of the  
 2555 United States.

2556 (4) It is unlawful for a person registered or required to  
 2557 be registered, or subject to the notice requirements, under this  
 2558 chapter, including such persons and issuers who are subject to  
 2559 s. 517.051, s. 517.061, s. 517.0611, s. 517.0612, or s. 517.081,  
 2560 to misrepresent that such person has been sponsored,  
 2561 recommended, or approved, or that such person's abilities or  
 2562 qualifications have in any respect been approved, by the state  
 2563 or an agency or officer of the state or by the United States or  
 2564 an agency or officer of the United States.

2565 (5) It is unlawful and a violation of this chapter for a  
 2566 person in connection with the offer or sale of an investment to  
 2567 obtain money or property by means of:

2568 (a) A misrepresentation that the investment offered or  
 2569 sold is guaranteed, sponsored, recommended, or approved by the  
 2570 state or an agency or officer of the state or by the United  
 2571 States or an agency or officer of the United States; or

2572 (b) A misrepresentation that such person is sponsored,  
 2573 recommended, or approved, or that such person's abilities or  
 2574 qualifications have in any respect been examined, by the state  
 2575 or an agency or officer of the state or by the United States or

2576 an agency or officer of the United States.

2577 (6)(a) Subsection (3) or subsection (4) may not be  
 2578 construed to prohibit a statement that a person or security is  
 2579 registered or has made a notice filing under this chapter if  
 2580 such statement is required by this chapter or rules promulgated  
 2581 thereunder and is true in fact and if the effect of such  
 2582 statement is not a misrepresentation.

2583 (b) A statement that a person is registered made in  
 2584 connection with the offer or sale of a security under this  
 2585 chapter must include the following disclaimer: "Registration  
 2586 does not imply that such person has been sponsored, recommended,  
 2587 or approved by the state or an agency or officer of the state or  
 2588 by the United States or an agency or officer of the United  
 2589 States."

2590 1. If the statement of registration is made in writing,  
 2591 the disclaimer must immediately follow such statement and must  
 2592 be in the same size and style of print as the statement of  
 2593 registration.

2594 2. If the statement of registration is made orally, the  
 2595 disclaimer must be made or broadcast with the same force and  
 2596 effect as the statement of registration.

2597 (7) It is unlawful and a violation of this chapter for a  
 2598 person to directly or indirectly manage, supervise, control, or  
 2599 own, either alone or in association with others, a boiler room  
 2600 in this state which sells or offers for sale a security or



2601 investment in violation of subsection (1), subsection (3),  
 2602 subsection (4), subsection (5), or subsection (6).

2603 Section 19. Section 517.311, Florida Statutes, is  
 2604 repealed.

2605 Section 20. Section 517.312, Florida Statutes, is  
 2606 repealed.

2607 Section 21. Subsections (1), (2), and (3) of section  
 2608 517.072, Florida Statutes, are amended to read:

2609 517.072 Viatical settlement investments.—

2610 (1) The exemptions provided for by s. 517.051(6) and (11)  
 2611 ~~ss. 517.051(6), (8), and (10)~~ do not apply to a viatical  
 2612 settlement investment.

2613 (2) The offering of a viatical settlement investment is  
 2614 not an exempt transaction under s. 517.061(10), (12), (13), and  
 2615 (18) ~~s. 517.061(2), (3), (8), (11), and (18)~~, regardless of  
 2616 whether the offering otherwise complies with the conditions of  
 2617 that section, unless such offering is to a qualified  
 2618 institutional buyer.

2619 (3) The registration provisions of ss. 517.07 and 517.12  
 2620 do not apply to any of the following transactions in viatical  
 2621 settlement investments; however, such transactions in viatical  
 2622 settlement investments are subject to s. 517.301 ~~the provisions~~  
 2623 ~~of ss. 517.301, 517.311, and 517.312:~~

2624 (a) The transfer or assignment of an interest in a  
 2625 previously viaticated policy from a natural person who transfers

2626 or assigns no more than one such interest in a single calendar  
 2627 year.

2628 (b) The provision of stop-loss coverage to a viatical  
 2629 settlement provider, financing entity, or related provider  
 2630 trust, as those terms are defined in s. 626.9911, by an  
 2631 authorized or eligible insurer.

2632 (c) The transfer or assignment of a viaticated policy from  
 2633 a licensed viatical settlement provider to another licensed  
 2634 viatical settlement provider, a related provider trust, a  
 2635 financing entity, or a special purpose entity, as those terms  
 2636 are defined in s. 626.9911, or to a contingency insurer,  
 2637 provided that such transfer or assignment is not the direct or  
 2638 indirect promotion of any scheme or enterprise with the intent  
 2639 of violating or evading ~~any provision of~~ this chapter.

2640 (d) The transfer or assignment of a viaticated policy to a  
 2641 bank, trust company, savings institution, insurance company,  
 2642 dealer, investment company as defined in the Investment Company  
 2643 Act of 1940, as amended, pension or profit-sharing trust,  
 2644 qualified institutional buyer, or an accredited investor,  
 2645 provided such transfer or assignment is not for the direct or  
 2646 indirect promotion of any scheme or enterprise with the intent  
 2647 of violating or evading any provision of this chapter.

2648 (e) The transfer or assignment of a viaticated policy by a  
 2649 conservator of a viatical settlement provider appointed by a  
 2650 court of competent jurisdiction who transfers or assigns

2651 ownership of viaticated policies pursuant to that court's order.

2652 Section 22. Subsection (2), paragraph (a) of subsection  
 2653 (9), paragraph (j) of subsection (16), subsection (20), and  
 2654 paragraphs (b) and (c) of subsection (21) of section 517.12,  
 2655 Florida Statutes, are amended to read:

2656 517.12 Registration of dealers, associated persons,  
 2657 intermediaries, and investment advisers.—

2658 (2) The registration requirements of this section do not  
 2659 apply in a transaction exempted by s. 517.061(1)-(6), (8), (9),  
 2660 (12), and (13) ~~s. 517.061(1)-(10), (12), (14), and (15)~~.

2661 (9)(a) An applicant for registration shall pay an  
 2662 assessment fee of \$200, in the case of a dealer or investment  
 2663 adviser, or \$50, in the case of an associated person. An  
 2664 associated person may be assessed an additional fee to cover the  
 2665 cost for the fingerprints to be processed by the office. Such  
 2666 fee shall be determined by rule of the commission. Such fees  
 2667 become the revenue of the state, except for those assessments  
 2668 provided for under s. 517.131(2) ~~s. 517.131(1)~~ until such time  
 2669 as the Securities Guaranty Fund satisfies the statutory limits,  
 2670 and are not returnable in the event that registration is  
 2671 withdrawn or not granted.

2672 (16)

2673 (j) All fees collected under this subsection become the  
 2674 revenue of the state, except those assessments provided for  
 2675 under s. 517.131(2) ~~s. 517.131(1)~~, until the Securities Guaranty

2676 Fund has satisfied the statutory limits. Such fees are not  
 2677 returnable if a notice-filing is withdrawn.

2678 (20) The registration requirements of this section do not  
 2679 apply to any general lines insurance agent or life insurance  
 2680 agent licensed under chapter 626, with regard to ~~for~~ the sale of  
 2681 a security as defined in s. 517.021(25)(g) ~~s. 517.021(23)(g)~~, if  
 2682 the individual is directly authorized by the issuer to offer or  
 2683 sell the security on behalf of the issuer and the issuer is a  
 2684 federally chartered savings bank subject to regulation by the  
 2685 Federal Deposit Insurance Corporation. Actions under this  
 2686 subsection ~~shall~~ constitute activity under the insurance agent's  
 2687 license for purposes of ss. 626.611 and 626.621.

2688 (21)

2689 (b) Prior to the completion of any securities transaction  
 2690 described in s. 517.061(7) ~~s. 517.061(22)~~, a merger and  
 2691 acquisition broker must receive written assurances from the  
 2692 control person with the largest percentage of ownership for both  
 2693 the buyer and seller engaged in the transaction that:

2694 1. After the transaction is completed, any person who  
 2695 acquires securities or assets of the eligible privately held  
 2696 company, acting alone or in concert, will be a control person of  
 2697 the eligible privately held company or will be a control person  
 2698 for the business conducted with the assets of the eligible  
 2699 privately held company; and

2700 2. If any person is offered securities in exchange for

2701 securities or assets of the eligible privately held company,  
 2702 such person will, before becoming legally bound to complete the  
 2703 transaction, receive or be given reasonable access to the most  
 2704 recent year-end financial statements of the issuer of the  
 2705 securities offered in exchange. The most recent year-end  
 2706 financial statements shall be customarily prepared by the  
 2707 issuer's management in the normal course of operations. If the  
 2708 financial statements of the issuer are audited, reviewed, or  
 2709 compiled, the most recent year-end financial statements must  
 2710 include any related statement by the independent certified  
 2711 public accountant; a balance sheet dated not more than 120 days  
 2712 before the date of the exchange offer; and information  
 2713 pertaining to the management, business, results of operations  
 2714 for the period covered by the foregoing financial statements,  
 2715 and material loss contingencies of the issuer.

2716 (c) A merger and acquisition broker engaged in a  
 2717 transaction exempt under s. 517.061(7) ~~s. 517.061(22)~~ is exempt  
 2718 from registration under this section unless the merger and  
 2719 acquisition broker:

2720 1. Directly or indirectly, in connection with the transfer  
 2721 of ownership of an eligible privately held company, receives,  
 2722 holds, transmits, or has custody of the funds or securities to  
 2723 be exchanged by the parties to the transaction;

2724 2. Engages on behalf of an issuer in a public offering of  
 2725 any class of securities which is registered, or which is

2726 required to be registered, with the United States Securities and  
 2727 Exchange Commission under the Securities Exchange Act of 1934,  
 2728 15 U.S.C. ss. 78a et seq., or with the office under s. 517.07;  
 2729 or for which the issuer files, or is required to file, periodic  
 2730 information, documents, and reports under s. 15(d) of the  
 2731 Securities Exchange Act of 1934, 15 U.S.C. s. 78o(d);

2732 3. Engages on behalf of any party in a transaction  
 2733 involving a public shell company;

2734 4. Is subject to a suspension or revocation of  
 2735 registration under s. 15(b)(4) of the Securities Exchange Act of  
 2736 1934, 15 U.S.C. s. 78o(b)(4);

2737 5. Is subject to a statutory disqualification described in  
 2738 s. 3(a)(39) of the Securities Exchange Act of 1934, 15 U.S.C. s.  
 2739 78c(a)(39);

2740 6. Is subject to a disqualification under the United  
 2741 States Securities and Exchange Commission Rule 506(d), 17 C.F.R.  
 2742 s. 230.506(d); or

2743 7. Is subject to a final order described in s. 15(b)(4)(H)  
 2744 of the Securities Exchange Act of 1934, 15 U.S.C. s.  
 2745 78o(b)(4)(H).

2746 Section 23. Subsection (6) of section 517.1201, Florida  
 2747 Statutes, is amended to read:

2748 517.1201 Notice filing requirements for federal covered  
 2749 advisers.—

2750 (6) All fees collected under this section become the

2751 revenue of the state, except for those assessments provided for  
 2752 under s. 517.131(2) ~~s. 517.131(1)~~ until such time as the  
 2753 Securities Guaranty Fund satisfies the statutory limits, and are  
 2754 not returnable in the event that a notice filing is withdrawn.

2755 Section 24. Subsections (4) and (8) of section 517.1202,  
 2756 Florida Statutes, are amended to read:

2757 517.1202 Notice-filing requirements for branch offices.—

2758 (4) A branch office notice-filing under this section shall  
 2759 be summarily suspended by the office if the notice-filer fails  
 2760 to provide to the office, within 30 days after a written request  
 2761 by the office, all of the information required by this section  
 2762 and the rules adopted under this section. The summary suspension  
 2763 shall be in effect for the branch office until such time as the  
 2764 notice-filer submits the requested information to the office,  
 2765 pays a fine as prescribed by s. 517.191(9) ~~s. 517.221(3)~~, and a  
 2766 final order is entered. At such time, the suspension shall be  
 2767 lifted. For purposes of s. 120.60(6), failure to provide all  
 2768 information required by this section and the underlying rules  
 2769 constitutes immediate and serious danger to the public health,  
 2770 safety, and welfare. If the notice-filer fails to provide all of  
 2771 the requested information within a period of 90 days, the  
 2772 notice-filing shall be revoked by the office.

2773 (8) All fees collected under this section become the  
 2774 revenue of the state, except for those assessments provided for  
 2775 under s. 517.131(2) ~~s. 517.131(1)~~ until such time as the

2776 Securities Guaranty Fund satisfies the statutory limits, and are  
 2777 not returnable in the event that a branch office notice-filing  
 2778 is withdrawn.

2779 Section 25. Subsection (2) of section 517.302, Florida  
 2780 Statutes, is amended to read:

2781 517.302 Criminal penalties; alternative fine; Anti-Fraud  
 2782 Trust Fund; time limitation for criminal prosecution.—

2783 (2) Any person who violates s. 517.301 ~~the provisions of~~  
 2784 ~~s. 517.312(1)~~ by obtaining money or property of an aggregate  
 2785 value exceeding \$50,000 from five or more persons is guilty of a  
 2786 felony of the first degree, punishable as provided in s.  
 2787 775.082, s. 775.083, or s. 775.084.

2788 Section 26. This act shall take effect October 1, 2024.