



The Commonwealth of Massachusetts
William Francis Galvin, Secretary of the Commonwealth
Securities Division

**Massachusetts Securities Division
Proposed Regulations
Notice of Public Hearing and Comment Period**

Proposed Revisions to:

950 CMR 12.200: Registration of Broker-Dealer, Agents, Investment Adviser, Investment Adviser Representatives and Notice Filing Procedures for Federal Covered Advisers.

Notice is hereby given pursuant to M.G.L. c. 30A, Sections 2 and 3, and M.G.L. c. 110A, Section 412, that the Massachusetts Securities Division proposes to amend its regulations as follows:

- Deeming it an unethical or dishonest conduct or practice for a broker-dealer, agent, investment adviser, or investment adviser representative registered or required to be registered in Massachusetts to fail to act in accordance with a fiduciary duty to a customer or client, at 950 CMR 12.207; and
- Revising certain paragraphs in 950 CMR 12.204 and 950 CMR 12.205 to make clear that the existing suitability standard still applies to any relationships or transactions expressly excluded from the fiduciary standard.

The authority for these regulations is M.G.L. c. 110A, Section 412(a): “The secretary may from time to time make, amend, and rescind such rules, forms, and orders as are necessary to carry out the provisions of this chapter . . .”

The Massachusetts Securities Division will hold a public hearing to receive testimony on these proposed amendments to its regulations at 9:30 a.m. on January 7, 2020 at the John W. McCormack Building, One Ashburton Place, Ashburton Cafe Conference Room, Plaza Level, Boston, MA 02108. Persons interested in speaking will be allowed a brief, allocated period in which to provide their comments. Priority will be given to those who register with the Division in advance. Interested persons can register by emailing securitiesregs-comments@sec.state.ma.us.

The Securities Division will accept written comments from the public through 5:00 p.m. on January 7, 2020. Written comments may be emailed to securitiesregs-comments@sec.state.ma.us, faxed to (617) 248-0177, or mailed to the following address: Massachusetts Securities Division, Attn: Proposed Regulations – Fiduciary Conduct Standard, One Ashburton Place, Room 1701, Boston, MA 02108.

A copy of the regulations may be obtained at <https://www.sec.state.ma.us/sct/sctidx.htm>, or by contacting the Division by telephone at (617) 727-3548, or by email at MSD@sec.state.ma.us.