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DFR

H. 182

Sec 1, page 2, line 5 –Date should be December 1

Sec. 3, page 3 – Alternative language for 8 V.S.A. §2204 (d):

~~(d) The Commissioner may waive or modify the requirements of subdivisions (a)(3) and (a)(4) of this section or may permit an application to submit substituted information in lieu of the required information.~~

(d) Upon a proper showing of information satisfactory to the Commissioner, the Commissioner may waive or modify the requirements of subdivisions (a)(3) and (a)(4) of this section.

Sec. 5, page 5 - Alternative language for 8 V.S.A. §2204c (d):

~~(d) The Commissioner may waive or modify the requirements of subdivision (a)(2) of this section or may permit an applicant to submit substituted information in lieu of the required information.~~

(d) Upon a proper showing of information satisfactory to the Commissioner, the Commissioner may waive or modify the requirements of subdivision (a)(2) of this section.

Sec. 10, page 12 - Alternative language for 8 V.S.A. §2904 (d):

~~(d) The Commissioner may waive or modify the requirements of subdivisions (a)(3) and (a)(4) of this section or may permit an applicant to submit substituted information in lieu of the required information.~~

(d) Upon a proper showing of information satisfactory to the Commissioner, the Commissioner may waive or modify the requirements of subdivisions (a)(3) and (a)(4) of this section.

Sec. 12, page 14 – Alternative language for 8 V.S.A. §2501 (b):

~~(b) The Commissioner may issue an order exempting any other person from this chapter upon a finding that the licensing of such person is not necessary to achieve the purposes of this chapter.~~

(b) The Commissioner may issue an order exempting any person from this chapter when such person is performing services for the benefit of the United States or a department, agency, or instrumentality thereof, or for the benefit of any state, county, city, or any other governmental agency or governmental subdivision within a state.

Sec. 14, page 16 & 17

8 V.S.A. 2536 is added to read:

Section 2536. Segregated accounts

(a) All monetary value remitted by customers to a licensee and its authorized delegates subject to this chapter shall be maintained in a permissible investment pursuant to section 2541 of this chapter. Such account or accounts shall be segregated from all other accounts of the licensee and shall not be used in the conduct of the licensee's personal affairs or the licensee's business affairs.

(b) The licensee may withdraw funds from the segregated account for:

- (1) Disbursement as directed by the customer;
- (2) Fees to which it is entitled for services actually performed; and
- (3) Customer refunds.

(c) The licensee shall maintain complete and accurate records *for a period of at least five years*, including the source of all deposits, the nature and recipient of all disbursements, the date and amount of each transaction, and the name of the customer.

OR: (c) The licensee shall maintain complete and accurate records, including the source of all deposits, the nature and recipient of all disbursements, the date and amount of each transaction, and the name of the customer. *These records shall be subject to the retention requirements of 8 V.S.A. § 2534.*

Sec. 17, page 19 – Modification of language for 8 V.S.A. §2545 (c):

(c) If the Commissioner believes, *from evidence satisfactory to him or her*, that any person has violated a provision of subsection (a) of this section, the Commissioner may, in addition to any other powers, issue orders or directives to any person:

- (1) enjoining or prohibiting such person from engaging in the financial services industry in this State;
- (2) to remove any officer, director, employee, or control person; or
- (3) regarding any other action or remedy as the Commissioner deems necessary to carry out the purposes of this chapter.