

UNIFORM SECURITIES ACT (2002) (EXCERPT)
Act 551 of 2008

451.2465 Prohibited conduct.

Sec. 465.

(1) A Michigan investment market shall not do any of the following:

(a) Sell or otherwise distribute to any third party personal identifying information of an individual without his or her written consent.

(b) In confirming whether an individual is a resident of this state or meets any other requirement of relevant state or federal law, require an individual to provide any personal information except for 1 or more of the following:

(i) The address of his or her primary residence.

(ii) The number of a valid operator's license, chauffeur's license, or official personal identification card issued by this state.

(iii) A current Michigan voter registration.

(iv) An operator's or chauffeur's license, military identification card, Michigan identification card, passport, or other government-issued identification document that includes a photograph of the individual.

(c) Charge a fee for a securities transaction conducted through the Michigan investment market that exceeds 5% of the value of the transaction, as determined by the value passed from 1 user of the Michigan investment market to another in exchange for that security.

(d) Deal in securities options, or include securities from more than 1 class in an offering, without obtaining written acknowledgment from each person involved in that transaction of the nature of the securities transacted.

(2) A Michigan investment market must provide disclaimers and restrictive legends that conspicuously state that its transactions are limited to residents of this state under section 3(a)(11) of the securities act of 1933, 15 USC 77c, and must limit access to information about specific investment opportunities to individuals who confirm they are residents of this state, such as by providing a record or document described in section 202a(1)(b)(i)(A) to (D).

(3) The Michigan investment market may not use established, nondiscretionary methods, whether by providing a trading facility or by setting rules, in bringing together the orders for securities of multiple buyers and sellers.

(4) The Michigan investment market may, in exercising its discretion, elect to not effect any transaction that, in the opinion of the Michigan investment market, would be severely adverse or unconscionable as it relates to a party involved in the transaction or to a party involved in a transaction previously effected by the Michigan investment market.

History: Add. 2014, Act 355, Imd. Eff. Oct. 21, 2014

Compiler's Notes: Enacting section 1 of Act 355 of 2014 provides: "Enacting section 1. It is the intent of the legislature by enacting this amendatory act to regulate a class of intrastate broker-dealers that is exempt under section 15(a)(1) of the securities exchange act of 1934, 15 USC 78o, and that will facilitate intrastate securities transactions among persons of this state."