



Order Adopting Rules

Minnesota Department of Commerce

Financial Institution Division

Adoption of Amended Rules Relating to Broker Dealer Conduct, Minnesota Rules, part 2876.5021; Revisor's ID Number R-04962 CAH Docket Number 25-9009-41647

BACKGROUND INFORMATION

1. The Minnesota Department of Commerce has complied with all notice and procedural requirements in Minnesota Statutes, chapter 14, Minnesota Rules, chapter 1400, and other applicable law.
2. The Department received no written comments and submissions on the rules. Therefore, there are not 25 or more requests for a public hearing. The Department received no requests for notice of submission to the Court of Administrative Hearings.
3. The rule amendments replace outdated references to NASD (National Association of Securities Dealers) regulations with the corresponding FINRA (Financial Industry Regulatory Authority) regulations. The amendments also incorporate FINRA's updated broker-dealer conduct rule pertaining to Customer Confirmations. Amendments include the following:

Subpart 1: references to NASD IM 2310-2 amended to FINRA Rule 2111
Subpart 2: references to NASD Conduct Rule 2310 amended FINRA Rule 2111
Subpart 3: references to NASD Conduct Rules 3010 and 3012 amended to FINRA Rules 3110, and 3120, and 3170
Subpart 4: Amending the subpart to include a reference to FINRA Rule 2232 to conform with Code of Federal Regulations, title 17, section 240.10b-10

The amendments are needed because in 2007 the NASD regulations were replaced and consolidated with FINRA regulations making references to NASD regulations in Rule 2876 outdated. The amendments are also needed because the legislature directed the Department to update its rules to reflect that NASD is now referred to as FINRA and to comply with FINRA's new securities broker-dealer conduct rules. The amendments are reasonable because requiring broker-dealers to follow the FINRA rules will protect Minnesota investors and provide uniformity to broker-dealers who are already required to follow FINRA rules as a condition of being licensed in other states.

ORDER

The above-named rules, in the form published in the State Register on December 1, 2025, are adopted under my authority in Minn. Stat. §§ 45.023 and 80A.82(a)(1) and the Laws of Minnesota 2025, 1st Spec. Sess. chapter 4, article 7, section 35.

May 19, 2026

Date



Grace Arnold
Commissioner