NOTICE OF PROPOSED RULEMAKING
COLORADO DIVISION OF SECURITIES

Notice is given that Fred J. Joseph, Securities Commissioner, Colorado Division of Securities, Department of Regulatory Agencies, will hold a public hearing at 8:30 a.m., **September 15, 2010** at the following location

Colorado Department of Regulatory Agencies
Conferences Room 975
1560 Broadway, 9th Floor
Denver, Colorado 80202

The public hearing is being held to revise the following rules: Rule 51-4.1(IA) to eliminate unnecessary language from the rule regarding electronic filing that is likely to lead to confusion and misunderstanding; Rule 51-4.3(IA) to add a provision which would require investment advisers to file an Updated Amendment of Form ADV within 90 days of the end of their fiscal year; Rules 51-4.4 and 51-4.5(IA) to adopt a rule which allows the Securities Commissioner to order an application deemed abandoned when the applicant fails to adequately respond to any request for additional information required under section11-51-403; Rule 51-4.4(IA) to change the look back period for licenses or examination certifications from five (5) years to two (2) years reflecting the current industry wide standard, and in addition, the proposed amendment removes previous qualifiers of Certified Investment Management Consultant and Certified Investment Management Analyst from subsection (G); Rule 51-4.9(IA) to adopt the North American Securities Administrators Association's (NASAA) model rule on regulation for solicitors; and Rule 51-4.10(IA) to adopt custody and safekeeping requirements that reflect current standard operating procedures by incorporating provisions from the NASAA model rule.

In addition, amendments are being proposed that reflect technical changes that have occurred. These amendments include the following changes: In the definitional section of the rules, the actual addresses for "CRD" and "IARD" have changed, so the amendments to Rule 51-2.1.B and L delete the inaccurate addresses; the National Association of Securities Dealers, "NASD", changed its name to the Financial Industry Regulatory Authority, or "FINRA" so amendments have been made throughout the rules to reflect this change; amendments to Rule 51-3.0 reflects Moody's name change to Mergent; amendment to Rule 51-4.3.G, which changes the time period from five years to two years for successfully completing examinations to fulfill the application requirements reflects the current industry wide standard and brings Colorado in conformity with this standard; the addition of the phrase "if any" to Rule 51-4.1(IA).C which clarifies that payment of fees is not always necessary under certain conditions; the amendment to Rule 51-4.6(IA).A.15 which requires the solicitor's disclosure statement to be in compliance with not only the federal requirement, but also the state requirements for such disclosure statements, if applicable; the amendment to Rule 51-4.8(IA).R adds investment adviser representatives to the prohibition of investment advisers from entering into advisory contracts that are contrary to Section 205 of the '40 Act.

At the hearing, interested parties will be afforded an opportunity to be heard and submit written data, views and arguments. The Commissioner may also allow oral presentations of such data, views, or arguments unless he deems such presentation unnecessary. Information and materials relating to the proposed rules will be available to any person at the Colorado Division of Securities, 1560 Broadway, Suite 900, Denver, Colorado 80202, and the Division's website, http://www.dora.state.co.us/securities at least five (5) days prior to the public hearing.

Reasonable accommodations will be provided upon request for persons with disabilities. If you are a person with a disability who requires an accommodation to participate in this public hearing, please notify Gerald Rome at (303) 894-2320 by September 8, 2010.

In addition, the rulemaking hearing scheduled for August 16, 2010, under Secretary of State tracking numbers 2010-00640 and 2010-00641, has been vacated.