

CHAPTER 2790
DEPARTMENT OF COMMERCE
INSURANCE MARKETING STANDARDS

2790 0550 REGULATION OF BUSINESS OF
 FINANCIAL PLANNING

2790.0550 REGULATION OF BUSINESS OF FINANCIAL PLANNING.

Subpart 1. Definition. "Business of financial planning" means providing, or offering to provide, financial planning services or financial counseling or advice, on a group or individual basis. An agent or insurer who, on advertisements, cards, signs, circulars, letterheads, or in any other manner, indicates that he or she is a "financial planner," "financial counselor," "financial advisor," "investment counselor," "estate planner," "investment advisor," "financial consultant," or any other similar designation or title or combination thereof, is considered to be representing himself or herself to be engaged in the business of financial planning.

Subp. 2. Prohibition. No agent or insurer may represent on advertisements, cards, signs, circulars, letterheads, or in any other manner, that he or she is engaged in the business of financial planning unless he or she provides a disclosure document to the client. The document must be signed by the client, and a copy must be left with the client. The disclosure document must contain the following:

A. the basis of any fees, commissions, or other compensation received by him or her in connection with the rendering of financial planning services or financial counseling or advice in the following language:

"My compensation may be based on the following:

- (a) ... commissions generated from the products I sell you,
- (b) ... fees, or
- (c) ... a combination of (a) and (b). [Comments.]";

B. the name and address of any company or firm that supplies the financial services or products offered or sold by him or her in the following language:

"I am authorized to offer or sell products and/or services issued by or through the following firm(s):

[List]

The products will be traded, distributed, or placed through the clearing/trading firm(s) of:

[List]";

C. the license(s) held by the person under Minnesota Statutes, chapter 60A, 80A, or 82 in the following language:

"I am licensed in Minnesota as a(n):

- (a) ... insurance agent,
- (b) ... securities agent or broker/dealer,
- (c) ... real estate broker or salesperson,
- (d) ... investment adviser"; and

D. the specific identity of any financial products or services (by category, for example mutual funds, stocks, or limited partnerships) the person is authorized to offer or sell in the following language:

"The license(s) entitles me to offer and sell the following products and/or services:

- (a) ... securities, specifically the following: [List],

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- (b) ... real property,
- (c) ... insurance,
- (d) ... other: [List].”

Statutory Authority: *MS s 45 023, 60A.17; 80A 25, 82.28*

History: *10 SR 274*