

MINNESOTA RULES 1986

99 REAL ESTATE BROKER LICENSING AND EDUCATION 2800.4600

CHAPTER 2800 DEPARTMENT OF COMMERCE REAL ESTATE BROKER LICENSING AND EDUCATION

2800 0100 DEFINITIONS

2800 4600 FRAUDULENT, DECEPTIVE, AND
DISHONEST PRACTICES

2800.0100 DEFINITIONS.

[For text of subps 1 to 13, see M R 1985]

Subp. 14. **Business of financial planning.** "Business of financial planning" means providing, or offering to provide, financial planning services or financial counseling or advice, on a group or individual basis. A person 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.

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

History: *10 SR 274*

2800.4600 FRAUDULENT, DECEPTIVE, AND DISHONEST PRACTICES.

Subpart 1. **Prohibitions.** For the purposes of Minnesota Statutes, section 82.27, subdivision 1, clause (b), the following acts and practices constitute fraudulent, deceptive, or dishonest practices.

[For text of subpart 1, items A to P, see M R 1985]

Q. 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:

(1) the basis of fees, commissions, or other compensation received by him or her in connection with 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]";

(2) 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]";

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

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"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

(4) 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]
- (b) ... real property
- (c) ... insurance
- (d) ... other: [List]."

[For text of subps 2 and 3, see M.R. 1985]

Statutory Authority: *MS s 45.023; 60A.17; 80A.25, 82 28*

History: *10 SR 274*