

**2876.4110 RECEIPT OF MONEY FROM SALES.**

No broker-dealer or agent participating in any distribution of securities, other than a firm commitment distribution of securities, shall accept any part of the sale price of any security being distributed unless:

A. the money or other consideration received is promptly transmitted to the persons entitled thereto; or

B. if the distribution is being made on an all-or-none basis, or on any other basis that contemplates that payment is not to be made to the person on whose behalf the distribution is being made until some further event or contingency occurs:

(1) the money or other consideration received is promptly deposited in a separate bank account, with the broker-dealer or agent as agent or trustee for the persons who have the beneficial interest therein, and remains in the bank account until the appropriate event or contingency has occurred, at which time the funds are promptly transmitted or returned to the persons entitled thereto; or

(2) all such funds are promptly transmitted to a bank that has agreed in writing to hold all such funds in escrow for the persons who have the beneficial interests therein, and all such funds are transmitted or returned directly to the persons entitled thereto when the appropriate event or contingency has occurred.

**Statutory Authority:** *MS s 45.023; 80A.82*

**History:** *34 SR 593*

**Published Electronically:** *November 23, 2009*