

STATEMENT OF BASIS AND PURPOSE

Promulgation of Amendments to Division Rules

Colorado Division of Securities
_____, 2025

Pursuant to the authority found in the Colorado Securities Act (“Act”), sections §11-51-101, et seq., C.R.S., including part 7 of the Act, the Securities Commissioner adopts amendments to Division Rules 51-3.34, 51-3.35, 51-3.36, 51-4.3, 51-4.4(IA), 51-4.4.2(IA), Form DT-1, Form DT-2 and History.

Rules 51-3.34-36 and Forms DT-1 and DT-2 were repealed in response to the legislative repeal of the Digital Token Act; Rule 51-4.3 was amended to adopt the FINRA Maintain Qualifications Program (MQP) to extend the validity of licensing exams to five years if certain criteria are met and clarify licensing requirements for sales representative;

Rule 51-4.4(IA) was amended to add the Certified Investment Management Analyst (CIMA) designation and remove the Chartered Investment Counselor (CIC) designation from the alternative qualifications for licensing as an investment adviser representative;

Rule 51-4.4.2(IA) was proposed to adopt the NASAA Investment Adviser Representative Exam Validity Extension Program (EVEP) to extend the validity licensing exams to five years if certain criteria are met for investment adviser representatives.

History is amended to include the rule amendments effective on 03/30/2023.

The Securities Commissioner finds that the adoption of these amendments to the Rules is necessary and appropriate in the public interest, and is consistent with the purposes and provisions of the Act. The Securities Commissioner further finds that the record demonstrates the need for the Rules; the Rules are clearly and simply stated; proper statutory authority exists for the Rules; the Rules do not conflict with any other rules or statutes governing the Division of Securities; and the Rules are coordinated with the federal acts and statutes and the rules and regulations promulgated thereunder to which references are made, to the extent coordination with them is consistent with the purposes and provisions of the Act.

This general statement of basis and purpose is incorporated by reference in the rules adopted by the Securities Commissioner on _____, 2025.

The rules become effective on _____

DATED this ___ day of _____, 2025.

Tung Chan
Securities Commissioner