RULE IMPACT STATEMENT

Oklahoma Administrative Code
Title 660: Department of Securities
Chapter 11: Oklahoma Uniform Securities Act of 2004

Pursuant to the Administrative Procedures Act, Section 303(D)(1) of Title 75 of the Oklahoma Statutes, the Administrator of the Oklahoma Department of Securities ("Administrator") hereby submits the following Rule Impact Statement for PERMANENT rule proposals under Okla. Admin. Code §660:11.

1. A statement of the need for the rules and legal basis supporting them:

In accordance with Sections 1-605 and 1-608 of the Oklahoma Uniform Securities Act of 2004, Okla. Stat. tit. 71, §§ 1-101 – 1-701 ("Securities Act"), the proposed rule amendments are necessary to carry out the Securities Act and "to achieve uniformity among the states and coordination with federal laws in form and content of registration statements, applications, reports, and other records."

2. A classification of the rule as major or nonmajor, with a justification for the classification, including an estimate of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, state or local government units, or individuals and a determination of whether those costs will exceed One Million Dollars ($1,000,000.00) over the initial five-year period following the promulgation of the proposed rules:

The Administrator classifies the proposed permanent rules as nonmajor as they are not intended to require additional implementation and compliance costs for businesses, state or local government units, or individuals. To the extent that there may be implementation and compliance costs associated with the proposed rules, the Administrator believes that they will be de minimus.

3. Description of the purpose of the proposed rules and rule amendments, including a determination of whether the proposed rule is mandated by federal law, or as a requirement for participation in or implementation of a federally subsidized or assisted program, and whether the proposed rules exceed the requirements of the applicable federal law:

The proposed rule amendments clarify that investment advisers must file a copy of their errors and omissions policies with the Administrator within 30 days of expiration of their policies instead of within 30 days of renewal of their policies; promote uniformity with federal law by not requiring investment advisers who are deemed to have custody solely due to fee deduction to file audited financial statements and allowing them to mark "no" on the Form ADV to the questions concerning custody; promote uniformity by allowing broker-dealers and investment advisers to extend the time period for temporary holds on the accounts of vulnerable adults by 30 days if necessary in conformity with FINRA Rule 2165; clarify that purchasers located inside or outside the state of Oklahoma are included in computing the number of purchasers under certain exemptions; correct and standardize statutory cites and terminology; and correct grammatical and formatting errors.

The proposed rules are not mandated by federal law or required for participation in or implementation of a federally subsidized or assisted program. Because the proposed rules have no federal equivalent, they do not exceed any federal law requirements.

4. Description of the classes of persons who most likely will be affected by the rule proposals, including classes that will bear the cost of the proposed rules, and any information on cost impacts received by the agency from any private or public entities:

The proposed rule amendments will impact broker-dealers, agents, investment advisers, investment adviser representatives, issuers of securities, the investing public, and the staff of the Oklahoma Department of Securities ("Department"). The rule proposals are being made to correct and standardize statutory cites and terminology and to clarify or streamline existing rules and are not expected to have a significant financial impact on any of the classes affected. The Administrator has not received any information on cost impacts from any private or public entities and does not anticipate any significant cost impact as a result of the proposed rules.

5. Description of the classes of persons who will benefit from the proposed rules:

Persons subject to regulation under the Securities Act, the investing public, and Department staff members will benefit from the rule proposals due to more precise information and greater clarification to aid in compliance.

6. Comprehensive analysis of the rules' economic impact, including any anticipated impacts on the full-time-employee count of the agency, any costs or benefits, and a detailed quantification of implementation and compliance costs on the affected businesses, business sectors, public utility ratepayers, individuals, state or local government units, and on the state economy as a whole. The analysis shall include a listing of all fee changes and, whenever possible, a separate justification for each fee change:

The Administrator does not anticipate that implementation of the proposed rules will have a significant economic impact on the affected businesses, business sectors, public utility ratepayers, individuals, state or local government entities, or the state economy as a whole. The rule proposals do not change or create any fees.

The Administrator does not anticipate negative impacts or increases to the number of full-time employees or an increase in costs or benefits to the agency.

7. Detailed explanation of the methodology and assumptions used to determine the economic impact, including the dollar amounts calculated:

Considering the anticipated insignificant economic impact of these proposed rules, the Administrator did not use any specific methodology or assumptions to determine the proposed rules' economic impact.

8. Determination of whether the proposed rules will have an economic impact on any political subdivisions or require their cooperation in implementing or enforcing the rule:

Implementation of the proposed rules is not anticipated to have an economic impact on any political subdivisions or to require their cooperation in the implementation or enforcement of the rules.

9. A determination of whether implementation of the rule proposals may have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act:

Implementation of the proposed rules will not have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act.

10. Measures taken by the agency to minimize the cost and impact of the proposed rules on business and economic development in this state, local government units of this state, and individuals:

Considering the insignificant economic impact anticipated for the implementation of these rules, no measures were necessary to minimize the cost and impact of the proposed rules on business and economic development in this state, local government units of this state, and individuals.

11. A determination of the effect of the rule proposals on the public health, safety, and environment and, if the rule proposals are designed to reduce significant risks to the public health, safety, and environment, an explanation of the nature of the risk and to what extent the rule proposals will reduce the risk:

One of the rule proposals, 660:11-15-2, will benefit the public safety by ensuring that securities firms and professionals may extend temporary holds on the accounts of vulnerable adults giving the firms opportunity to prevent fraud. The other rule proposals will have a neutral effect on the public health, safety, and environment.

12. A determination of any detrimental effect on the public health, safety and environment if the rule proposals are not implemented:

One of the rule amendments, 660:11-15-2, could have a detrimental effect on the public safety if not implemented as firms and professionals would have a limited time to investigate suspicion of improper activity in the accounts of vulnerable adults. The other rule proposals would not have a detrimental effect on the public health, safety, or environment if not implemented.

13. An analysis of alternatives to adopting the proposed rules:

Considering these rule amendments are being proposed to clarify the Securities Act and other existing rules and to promote uniformity with federal and state securities laws and because the proposed rule amendments are not anticipated to have any significant economic impact on the securities industry, the investing public, or the Department, the Administrator did not consider alternatives to adopting the proposed amendments.

14. Estimates of the amount of time that would be spent by state employees to develop the rules and of the amount of other resources that would be utilized to develop the rules:

The Administrator does not anticipate any additional time or resources will be necessary to develop and implement the rule amendments.

15. A summary and preliminary comparison of any existing or proposed federal regulations that are intended to address the activities to be regulated by the proposed rules:

The federal securities laws and regulations in some instances overlap with state securities laws and regulations. However, the Administrator exercises jurisdiction under the Securities Act that is separate from and not contingent on the jurisdiction of the United States Securities and Exchange Commission under the federal securities laws. Except in the instances where federal law expressly preempts the Administrator from regulating certain activities of the securities industry, the Administrator may make regulations as necessary to carry out the Securities Act and reflect the economic priorities and interests of the State of Oklahoma. However, as one of the goals of the Securities Act is to promote uniformity with the federal securities laws, the Administrator, when appropriate, proposes rule amendments to harmonize state regulation with federal regulations.

16. The date the rule impact statement was prepared, and if modified, the date modified:

This rule impact statement was prepared on December 23, 2025.