



STATE OF CALIFORNIA

## Department of Financial Protection and Innovation

GOVERNOR **Gavin Newsom** • COMMISSIONER **KC Mohseni**

### NOTICE OF MODIFICATION TO PROPOSED RULEMAKING

#### CORPORATE SECURITIES LAW OF 1968 PRO 05-17

To Interested Persons:

On July 18, 2025, the Commissioner of Financial Protection and Innovation (“Commissioner”) published a Notice of Rulemaking Action to amend sections 260.210, 260.216.7, 260.218.4, 260.230, 260.230.1, 260.231, 260.238, and 260.241 of title 10 of the California Code of Regulations (see California Regulatory Notice Register 2025, Z-2025-0708-08). The proposed amendments revise certain forms and notices; add to the list of activities that do not promote “fair, equitable or ethical principles”; clarify books and records maintenance practices for broker-dealers; and revise procedures for filing documents directly with the Commissioner.

Interested parties were invited to submit comments until September 8, 2025.<sup>1</sup>

After considering the comments received, the Commissioner has revised the proposed text. A copy of the proposed revisions is being made available to the public in accordance with the requirements of Government Code section 11346.8, subdivision (c). The text showing modifications removing the proposed subdivision (u) of section 260.238, which the Commissioner has determined is not necessary and may cause confusion, is attached. The originally proposed amendment is shown in single underline for additions and single strike-out for deletions; and the changes proposed by this notice are shown by double underline for additions and double strike-out for deletions.

The public may submit comments on the proposed changes to the rulemaking action, as described more fully below.

#### 15-Day Comment Period

Any interested person, or his or her authorized representative, may submit written comments regarding the changes to the originally proposed amendment by any of these means:

#### Postal Mail

Department of Financial Protection and Innovation  
Attn: Diana Pha, Regulations Coordinator

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<sup>1</sup> Interested parties were initially invited to submit comments until September 1, 2025. The Department later extended the due date to submit comments to September 8, 2025.

651 Bannon St., Ste. 300  
Sacramento, California 95811

Electronic Mail

Comments may be submitted electronically to [regulations@dfpi.ca.gov](mailto:regulations@dfpi.ca.gov). Please identify the comments as PRO 05-17 in the subject line.

Comments must be received by **April 20, 2026**. If the final day for the acceptance of comments is a Saturday, Sunday or state holiday, the comment period will close on the next business day.

All written comments received by April 20, 2026, which pertain to the revisions to the proposed amendments will be reviewed by the Department and will be summarized and responded to in the Final Statement of Reasons. Please limit your comments to the modifications to the proposed amendments.

The proposed changes to the regulations in the text accompanying this notice are not yet effective, and will not be effective, until approved by the Office of Administrative Law and filed with the Secretary of State in accordance with Government Code section 11349.3. Questions regarding the content of this notice may be directed to Diana Pha at [regulations@dfpi.ca.gov](mailto:regulations@dfpi.ca.gov).

Dated:           April 2, 2026  
                    Los Angeles, California