



Who is a Broker-Dealer

The Definition of Broker-Dealer under the Mississippi Securities Act of 2010

Pursuant to Miss. Code Ann. Section 75-71-102(4) "broker-dealer" is a person engaged in the business of effecting transactions in securities for the account of others or for the person's own account.

Pursuant to Miss. Code Ann. Section 75-71-401(a) registration of broker-dealers is required. It is unlawful for a person to transact business in this state as a broker-dealer unless the person is registered with the Securities Division of the Mississippi Secretary of State's Office as a broker-dealer or is exempt from registration as a broker-dealer.

The definition of broker-dealer generally excludes a person who has no place of business within this state and who has not more than three (3) customers in this state during the previous twelve (12) months. For additional exclusions please see Miss. Code Ann. §75-71-401 subsections (b) and (d).

The term "broker-dealer" does not include:

- (A) An agent;
- (B) An issuer;
- (C) A bank or savings institution if its activities as a broker-dealer are limited to those specified in subsection 3(a)(4)(B)(i) through (vi), (viii) through (x), and (xi) if limited to unsolicited transactions; 3(a)(5)(B); and 3(a)(5)(C) of the Securities Exchange Act of 1934 (15 USC Section 78c(a)(4) and (5)) or a bank that satisfies the conditions described in subsection 3(a)(4)(E) of the Securities Exchange Act of 1934 (15 USC Section 78c(a)(4));
- (D) An international banking institution; or
- (E) A person excluded by rule adopted or order issued under this chapter.