

NEBRASKA DEPARTMENT OF BANKING AND FINANCE

Securities Bureau Update

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Disclaimer

The Nebraska Department of Banking and Finance is providing this information as a service. It is neither a legal interpretation nor an indication of a policy position by the Nebraska Department of Banking and Finance.

If you have questions concerning the meaning or application of a particular federal or state law or rule or regulation, statement of policy or other materials, please consult with an attorney who specializes in securities or banking law.



Nebraska Department of Banking and Finance

- Mission: Make Nebraska the most trusted financial home for people and businesses
- Vision: To maintain the public confidence in Nebraska's financial institutions
- Banking and Finance Division
 - 155 state chartered banks
 - 85.8% are Ag banks
 - 98% of all banks are profitable
- Bureau of Securities



Bureau of Securities Licensing

Investment Advisers

- \$1,157,842,619 Assets Under Management
- 94 State Registered IAs
 - *50% have employees that are licensed insurance agents*
- 63 State IA Home Office
- 5 Exempt Reporting Advisers
- 1,347 Notice Filing IAs
- 4,231 IA Reps Licensed

Broker-Dealers

- 15 BD Home Offices
- 1,209 BDs Licensed
- 1,253 Branch Offices
 - *18% engage in insurance activities*
- 104,301 BD Agents Licensed
- 28 Non-FINRA BD Firms



Bureau of Securities Priorities

- Preventing Elder Financial Abuse
 - Senior\$afe
 - Interagency cooperation
 - Investor protection outreach and alerts
- Cybersecurity
 - 2016 cybersecurity survey of state IA practices
 - Upcoming 2018 cybersecurity survey of state IA practices
 - Resources for state IAs (<http://nasaa.cdn.s3.amazonaws.com/wp-content/uploads/2011/08/NASAA-Cybersecurity-Checklist.pdf>)



Bureau of Securities Priorities

- Fintech/ICOs
 - Blockchain - Initial Coin Offerings (ICOs) - Token Sales - RegTech
 - Get in the Know About ICOs (<https://vimeo.com/239995680>)
 - The Basics of Blockchain Technology, Explained in Plain English (<https://www.fool.com/investing/2018/01/10/the-basics-of-blockchain-technology-explained-in-p.aspx>)
 - SEC
 - DAO Token report (<https://www.sec.gov/news/press-release/2017-131>)
 - Certain issuers of distributed ledger or blockchain technology-based securities must register offering or utilize an exemption; securities exchanges providing trading in these securities must register unless exempt
 - SEC Chairman Jay Clayton statement on the risks of investing in cryptocurrencies and ICOs (<https://www.sec.gov/news/public-statement/statement-clayton-2017-12-11>)
 - AriseBank ICO of AriseCoin (<https://www.sec.gov/news/press-release/2018-8>)
 - PlexCorp ICO of PlexCoin (<https://www.sec.gov/news/press-release/2017-219>)



Bureau of Securities Priorities

- Fintech/ICOs (cont.)
 - State enforcement actions
 - **USI-Tech** Cease and Desist (TX) (12/20/17) (<https://www.ssb.texas.gov/news-publications/bitcoin-promoter-usi-tech-hit-emergency-order>)
 - **BitConnect** Cease and Desist (TX) (1/4/18) (<https://www.ssb.texas.gov/news-publications/4-billion-crypto-promoter-ordered-halt-fraudulent-sales>)
 - **R2B Coin** Cease and Desist (1/24/18) (TX) (<https://www.ssb.texas.gov/news-publications/emergency-order-entered-against-cryptocurrency-firm>)
 - **DavorCoin** Cease and Desist (2/3/18) (TX) (<https://www.ssb.texas.gov/news-publications/davorcoin-latest-cryptocurrency-platform-hit-order>)
 - **Bitstrade** Cease and Desist (2/9/18) (NJ) (<http://www.njconsumeraffairs.gov/News/Pages/02092018.aspx>)
 - NDBF consumer alert on cryptocurrencies (<https://ndbf.nebraska.gov/about/news-publications>)

