

MEMO# 35879

October 8, 2024

Missouri Voluntarily Dismisses Appeal of Federal District Court Decision to Strike Down Securities Division Rules

[35879]

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TO: ICI Members
Broker/Dealer Advisory Committee
ESG Advisory Group
Investment Advisers Committee SUBJECTS: State Issues RE: Missouri Voluntarily Dismisses Appeal of Federal District Court Decision to Strike Down Securities Division Rules

The Missouri Secretary of State has voluntarily dismissed its appeal in a recently decided case concerning Missouri Securities Division rules that would have required specified financial professionals to obtain a client's written consent on state-scripted documents before providing advice that "incorporates a social objective or other nonfinancial objective."^[1] On August 14, 2024, the US District Court for the Western District of Missouri ordered that the challenged rules should be enjoined, statewide, and in their entirety.

In a filing dated September 27, 2024, Missouri agreed to dismiss its appeal with prejudice, and agreed to pay \$500,000 in satisfaction of the fees and costs associated the litigation in the District Court.

Joshua Weinberg
Associate General Counsel, Securities Regulation

Notes

^[1] The Appellant's Motion to Voluntarily Dismiss Appeal is attached hereto. ICI's summary of the Court's order in the matter of Securities Industry and Financial Markets Association vs. John R. Ashcroft and Douglas M. Jacoby, Case No. 23-cv-04154-SRB (Aug. 14, 2024) can be viewed at <https://www.ici.org/memo35806>. ICI's summary of the complaint in the matter of Securities Industry and Financial Markets Association vs. John R. Ashcroft and Douglas M. Jacoby, Civil Action NO. 2:23-cv-4154 (Aug. 10, 2023) can be viewed at <https://www.ici.org/memo35414>.

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