

**STATE OF VERMONT
DEPARTMENT OF BANKING, INSURANCE, SECURITIES,
AND HEALTH CARE ADMINISTRATION**

SECURITIES DIVISION

In the Matter of:)
) **Docket No. 10-080-S**
Electronic notice filing of certain federal)
covered securities with the State of Vermont)

WHEREAS, the Commissioner of Banking, Insurance, Securities and Health Care Administration (the "Commissioner") is charged with the administration of the Vermont Uniform Securities Act, 9 V.S.A. chapter 150, § 5101, *et seq.*, as amended (the "Act") under 9 V.S.A. § 5601, and may issue orders necessary or appropriate to carry out the Act under 9 V.S.A. § 5605(a).

WHEREAS, section 5105 of the Act permits the Commissioner to allow for the electronic filing of records when specified by order issued under the Act.

WHEREAS, in order to implement the electronic filings of records with the Vermont Securities Division (the "Division") of the Vermont Department of Banking, Insurance, Securities and Health Care Administration, the Commissioner has the authority under the Act to establish standards and procedures for the electronic notice filing of certain federal covered securities required pursuant to the Act to be filed with the Commissioner.

WHEREAS, National Regulatory Services, a division of SourceMedia, Inc., (the "Submitting Entity") is a company with its principal place of business at 88 Black Falcon Avenue - Suite 305, Boston, MA 02210. The Submitting Entity proposes to use BlueExpress, a public domain software program for which no license is required and there is no charge for its use, to enable the electronic notice filing with the Division of certain federal covered securities.

WHEREAS, the Commissioner finds that it is necessary and appropriate in the public interest to establish terms and conditions to allow for electronic filings in support of multi-jurisdictional efforts to streamline processes and benefit the securities industry, and is consistent with the purposes intended by the Act or under any renewal of, or successor to the Act.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Division may accept electronic notice filings of certain federal covered securities, specifically those of investment companies, and allow the approved use of BlueExpress to electronically notice file certain federal covered securities with the Division, as long as the terms and conditions set forth herein are met by the Submitting Entity.

2. The Submitting Entity shall be allowed to submit electronic notice filings of certain federal covered securities in accordance with the Generic Blue Express Protocol, incorporated herein as Appendix A, and subject to the authority of the Commissioner to revoke this authorization in her or his complete discretion, effective upon written notice to the Submitting Entity. Any violation by the Submitting Entity of the Protocol or the Conditions set forth in this Order, in whole or in part, may constitute grounds for the immediate suspension by the Commissioner of this authorization, effective upon written notice to the Submitting Entity. Notices may be sent to any party via nationally-recognized overnight courier or facsimile transmission (with confirmation of transmission) and will be deemed given when received.
3. The Division shall provide the Submitting Entity a Uniform Resource Locator (“URL”), a Filer ID, and a password.
4. The Submitting Entity shall establish sufficient security precautions and controls to ensure that there is no unauthorized use of the Filer ID, Password and URL.
5. BNY Mellon Asset Servicing (“BNY”) shall host the BlueExpress web program and database on a server at a designated location approved by the Division. BNY and the Submitting Entity will provide the Division with complete access at all times to any and all of the information relating to the Division on that server. The Submitting Entity will retain an electronic record of each filing made by the Submitting Entity under this Order and a backup of each record. Such electronic record shall: (1) accurately reflect the information set forth in the record; and (2) remain accessible to the Division in a form that is capable of being accurately reproduced for later reference.
6. The Submitting Entity will only submit filings which it believes to be accurate and for which it has the proper authority to make such a filing.
7. A notice filing submitted by the Submitting Entity to the Division in accordance with the terms and conditions of this Order, will be deemed received by the Division upon the generation of an electronic receipt by its server, a copy of which shall be sent to the Submitting Entity’s server.
8. The Submitting Entity recognizes that such receipt in no way prevents the Commissioner from pursuing any deficiency with the filing including, but not limited to, payment of the appropriate fee established by the Act.
9. Payment shall be made by automated clearing house (“ACH”) payments in amounts established by the Act.
10. The Submitting Entity shall be afforded reasonable opportunity to make corrections to notice filing payments prior to their acceptance by the Division in order to ensure that the correct fee required by the Act is submitted.

11. The Submitting Entity shall be afforded reasonable opportunity to make corrections and adjustments to any fee submitted incorrectly by the Submitting Entity in order to ensure the correct fee is received by the State.
12. The Submitting Entity shall be allowed hardship filings that result from a failure of the electronic filing system, including but not limited to a hardware failure at the server of the State, BNY, or the Submitting Entity, or an internet service interruption. Such hardship filings would include consideration of dating the filing at the time established by an alternative notification means including fax, e-mail, or telephone.
13. The Submitting Entity shall comply with the BlueExpress Protocol and utilize the resources made available on the BNY hosted server.
14. No fee or other compensation shall be charged to or paid by the Division in connection with the performance by the Submitting Entity of electronic federal covered securities notice filing activities.
15. The Submitting Entity shall provide 30 days notice to the Division of any change of operation in its electronic notice filing activities, and any change in contact information.
16. Changes to the BlueExpress Protocol may only be made upon written, mutual agreement between the Commissioner and BNY.
17. The Commissioner reserves the right to revoke this authorization under any circumstances upon written notice to the Submitting Entity.
18. The Submitting Entity shall maintain its records in accordance with Exhibit 5.1 to Order 06-43-S: Privacy of Consumer Financial and Health Information.
19. With respect to any confidential data that BNY and/or the Submitting Entity receives, maintains, and/or transmits, BNY and/or the Submitting Entity shall:
 - (a) Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of such information.
 - (b) Protect against any reasonably anticipated threats or hazards to the security or integrity of such information;
 - (c) Ensure that any agent of the Submitting Entity agrees to implement reasonable and appropriate safeguards to protect such records;
 - (d) Within the most expedient time possible and without unreasonable delay, report to the Division any unauthorized acquisition or access of computerized data that compromises the security, confidentiality, or integrity of confidential data once the Submitting Entity has determined that a breach has occurred, unless law

enforcement authorities request that the Submitting Entity delay such notification.
The Submitting Entity shall take reasonable efforts to promptly cure such breach.

20. This Order shall become effective upon the date set forth below.

Dated at Montpelier, Vermont this 23rd day of September, 2010.



Michael S. Bertrand, Commissioner
Vermont Department of Banking, Insurance, Securities
and Health Care Administration