

UNIFORM SECURITIES ACT (2002) (EXCERPT)
Act 551 of 2008

451.2408 Termination of employment or association of agent and investment adviser representative; notice; other employment or association; withdrawal of temporary registration; power of administrator to prevent transfer; cancellation or termination of registration or application; reinstatement.

Sec. 408. (1) If an agent registered under this act terminates employment by or association with a broker-dealer or issuer, or if an investment adviser representative registered under this act terminates employment by or association with an investment adviser or federal covered investment adviser, or if either registrant terminates activities that require registration as an agent or investment adviser representative, the broker-dealer, investment adviser, or federal covered investment adviser shall promptly file a notice of termination. If the registrant learns that the broker-dealer, issuer, investment adviser, or federal covered investment adviser has not filed the notice, the registrant may file the notice.

(2) If an agent registered under this act terminates employment by or association with a broker-dealer registered under this act and begins employment by or association with another broker-dealer registered under this act; or if an investment adviser representative registered under this act terminates employment by or association with an investment adviser registered under this act or a federal covered investment adviser that has filed a notice under section 405 and begins employment by or association with another investment adviser registered under this act or a federal covered investment adviser that has filed a notice under section 405, then upon the filing by or on behalf of the registrant, within 30 days after the termination, of an application for registration that complies with the requirement of section 406(1) and payment of the filing fee required under section 410, 1 of the following applies to the registration of the agent or investment adviser representative:

(a) If the agent's central registration depository record or successor record or the investment adviser representative's investment adviser registration depository record or successor record does not contain a new or amended disciplinary disclosure within the previous 12 months, the registration is immediately effective as of the date of the completed filing.

(b) If the agent's central registration depository record or the investment adviser representative's investment adviser registration depository record contains a new or amended disciplinary disclosure within the preceding 12 months, the registration is temporarily effective as of the date of the completed filing.

(3) If there are or were grounds for discipline under section 412, the administrator may withdraw a temporary registration within 30 days after the application is filed. If the administrator does not withdraw the temporary registration within the 30-day period, registration becomes automatically effective on the thirty-first day after filing.

(4) The administrator may prevent the effectiveness of a transfer of an agent or investment adviser representative under subsection (2)(a) or (b) based on the public interest and the protection of investors.

(5) If the administrator determines that a registrant or applicant for registration is no longer in existence, has ceased to act as a broker-dealer, agent, investment adviser, or investment adviser representative, is the subject of an adjudication of incapacity, is subject to the control of a committee, conservator, or guardian, or cannot reasonably be located, a rule or order under this act may require the registration be canceled or terminated or the application denied. The administrator may reinstate a canceled or terminated registration, with or without hearing, and may make the registration retroactive.

History: 2008, Act 551, Eff. Oct. 1, 2009.

Compiler's note: For transfer of securities division of office of finance and insurance regulation from office of finance and insurance regulation to department of licensing and regulatory affairs, see E.R.O. No. 2012-6, compiled at MCL 445.2034.