

18 NCAC 06A .1416 REPORTING REQUIREMENTS OF DEALERS AND SALESMEN

(a) All bankruptcies of dealers or salesmen registered with the Securities Division must be reported to the administrator within 30 days after the filing of the petition for bankruptcy.

(b) All arbitrations involving dealers or salesmen registered with the Securities Division must be reported to the administrator within 30 days of the conclusion of the proceeding. Such report must include the terms of the settlement.

(c) Any fundamental alterations in the structure or operation of the dealer must be reported to the administrator within 30 days. For a period of 60 days following such notification, the administrator shall reserve the right to review the dealer's registration in light of the alterations reported. For the purposes of this Rule .1416, "fundamental alteration" is defined as any of the following:

- (1) the opening or closing of any office, including the office of any salesperson operating apart from the dealer's premises,
- (2) any merger, consolidation, acquisition, or succession participated in by the dealer, or
- (3) the replacement of any partner, executive officer, director, or any person occupying a similar status or performing similar functions, as well as any significant changes in the duties or responsibilities assigned to any such position.

*History Note: Authority G.S. 78A-38(a); 78A-38(c); 78A-38(d); 78A-49(a);
Eff. September 1, 1995;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016.*