

18 NCAC 06A .1415 REGISTRATION OF PARTNERS/EXECUTIVE OFFICERS/DIRECTORS

(a) Any partner, executive officer, director, or a person occupying a similar status or performing similar functions who represents a registered dealer in effecting or attempting to effect purchases or sales of securities shall be registered as a salesman pursuant to Paragraph (b) of this Rule.

(b) Automatic salesman registration for partners, executive officers or directors of a registered dealer or a person occupying a similar status or performing similar functions shall be obtained by filing an original or amended Form BD and any appropriate schedule thereto, providing the required disclosures regarding the registrant, and a written notice to the Securities Division identifying the registrant and that the registrant will engage in the activities as described in Paragraph (a) of this Rule; provided, however, if such information is currently on file with the administrator then the written notice only is required to be filed. Automatic registration shall lapse where a material change in the information reported on Form BD or any schedule thereto regarding the registrant has occurred and has not been reported to the Securities Division by filing an original or amended Form BD or the appropriate schedule thereto with current information within 10 business days of the material change. The dealer shall timely inform the Securities Division in writing when any registrant under this Paragraph ceases to engage in the activities described in Paragraph (a) of this Rule for the purposes of termination of the automatic salesman registration. Annual renewal is automatic upon renewal of the dealer registration.

(c) Failure to maintain a current automatic registration pursuant to Paragraph (b) of this Rule for those persons described in Paragraph (a) of this Rule may result in violation of G.S. 78A-36.

(d) Automatic registration may be denied, revoked, suspended, restricted or limited or the registrant censured as provided by G.S. 78A-39. Nothing in this Rule shall limit the administrator's authority to institute administrative proceedings against a dealer, or an applicant for dealer registration due to the qualifications of or disclosures regarding a person described in Paragraph (a) of this Rule.

(e) A salesman shall not be registered with more than one dealer regardless of whether registration is accomplished or contemplated under this Rule or Rule .1402 of this Section.

(f) For the purposes of this Rule "Executive Officer" shall mean the chief executive officer, the president, the principal financial officer, each vice president with responsibility involving policy making functions for a significant aspect of the dealer's business, the secretary, the treasurer, or any other person performing similar functions with respect to any organization whether incorporated or unincorporated.

*History Note: Authority G.S. 78A-2(9); 78A-36(a); 78A-36(b); 78A-37(a); 78A-49(a);
Eff. January 1, 1984;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6,
2016.*