

To Bob Walner

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Illinois

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longer being made in this State by the applicant or registrant.

I. Any document being filed pursuant to this Section 7 [5/7] shall be deemed filed, and any fee being paid pursuant to this Section 7 [5/7] shall be deemed paid, upon the date of actual receipt thereof by the Secretary of State.

J. The Secretary of State may require by rule or regulation the payment of an additional fee for the filing of information or documents required to be filed by this Section 7 [5/7] which have not been filed in a timely manner. Such fees shall be deposited into the Securities Investors Education Fund and used to promote public awareness of the dangers of securities fraud.

[Sec 7 amended by Laws 1995, P.A. 89-0209, effective January 1, 1996, Laws 1996, P.A. 89-0626, effective August 9, 1996, Laws 1997, H. 1168, effective July 1, 1997.]

.01 1995 Amendment.—Sec. 7 adds the conditions for adding similar classes of shares already registered pursuant to the requirements for investment fund shares; Sec. 7(A)(1) adds a requirement for the registration of investment fund shares by coordination.—CCH

.01 1996 Amendment.—Replaces the word "thereunder" with the phrase "under that Act" at subsection (B)(5).—CCH

.01 1997 amendment.—Adds the phrase "set forth under Section 2a of this Act, or those" to the introductory paragraph; replaces the word "telegraphic" with the word "electronic" at subsection (A)(2)(c); removes the word "telegraphic" from subsections (A)(5), (A)(7), and (H); and repeals and leaves blank subsections (B)(2)(b) and (c).—CCH.

[¶ 22,126A]

Sec. 7a [5/7a]. [Securities relating to prostitution.] (a) Except as provided in subsection (b) of this Section, no securities, issued by an issuer engaged in or deriving revenues from the conduct of any business or profession, the conduct of which would violate Section 11-14, 11-15, 11-15.1, 11-16, 11-17, 11-19 or 11-19.1 of the Criminal Code of 1961, as now or hereafter amended, if conducted in this State, shall be sold or registered pursuant to Section 5, 6 or 7 of this Act nor sold pursuant to the provisions of Section 3 or 4 of this Act.

(b) Notwithstanding the provisions of subsection (a) hereof, such securities issued prior to the effective date of this amendatory Act of 1989 may be sold by a resident of this State in transactions which qualify for an exemption from the registration requirements of this Act pursuant to subsection A of Section 4 of this Act.

[Sec. 7a added by Laws 1989, P.A. 86-0526.]

¶ 22 126A

[¶ 22,127]

Sec. 8 [5/8]. Registration of dealers, limited Canadian dealers, salespersons, investment advisers, and investment adviser representatives. A. Except as otherwise provided in this subsection A, every dealer, limited Canadian dealer, salesperson, investment adviser, and investment adviser representative shall be registered as such with the Secretary of State. No dealer or salesperson need be registered as such when offering or selling securities in transactions believed in good faith to be exempted by subsection A, B, C, D, E, G, H, I, J, K, M, O, P, Q, R or S of Section 4 [5/4] of this Act, provided that such dealer or salesperson is not regularly engaged in the business of offering or selling securities in reliance upon the exemption set forth in subsection G or M of Section 4 of this Act. No dealer, issuer or controlling person shall employ a salesperson unless such salesperson is registered as such with the Secretary of State or is employed for the purpose of offering or selling securities solely in transactions believed in good faith to be exempted by subsection A, B, C, D, E, G, H, I, J, K, L, M, O, P, Q, R or S of Section 4 of this Act; provided that such salesperson need not be registered when effecting transactions in this State limited to those transactions described in Section 15(h)(2) of the Federal 1934 Act or engaging in the offer or sale of securities in respect of which he or she has beneficial ownership and is a controlling person. The Secretary of State may, by rule, or regulation or order and subject to such terms, and conditions as fees as may be prescribed in such rule, regulation or order, exempt from the registration requirements of this Section 8 [5/8] any investment adviser, if the Secretary of State shall find that such registration is not necessary in the public interest by reason of the small number of clients or otherwise limited character of operation of such investment adviser.

B. An application for registration as a dealer or limited Canadian dealer, executed, verified, or authenticated by or on behalf of the applicant, shall be filed with the Secretary of State, in such form as the Secretary of State may by rule, regulation or order prescribe, setting forth or accompanied by:

(1) The name and address of the applicant, the location of its principal business office and all branch offices, if any, and the date of its organization;

(2) A statement of any other Federal or state licenses or registrations which have been granted the applicant and whether any such licenses or registrations have ever been

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ated positions in futures or options on futures with:

(A) a dealer that has registered with the SEC or filed notice pursuant to Section 15C(a) of the Federal 1934 Act, as defined in Section 130.200 of this Part; or

(B) a CFTC-regulated person.

(5) Repurchase and reverse repurchase agreement transactions between a futures commission merchant acting in a proprietary capacity and another CFTC-regulated person acting in a proprietary capacity and contemporaneous offsetting transactions between such a futures commission merchant with:

(A) a dealer that has registered with the SEC or filed notice pursuant to Section 15C(a) of the Federal 1934 Act, as defined in Section 130.200 of this Part;

(B) a bank; or

(C) a CFTC-regulated person.

(6) Any transaction or transactions that the SEC exempts, either unconditionally or on specified terms and conditions, as incidental to the futures related business of a specified CFTC-regulated person, a specified category of CFTC-regulated persons, or CFTC-regulated persons generally.

[Amended, eff. 12-30-89.]

[¶ 22,632]

Sec. 130.280. Definition of the term "branch office" of a registered dealer, as used in Section 8 of the Act. (a) "Branch office" as used in Section 8 of the Act shall mean any office, residence or other place or location in this State where the business of a registered dealer is being conducted and which is owned or controlled by, or operated directly or indirectly for the benefit of, the registered dealer, and where the business of a dealer is conducted by a principal, salesperson or salespersons for such registered dealer.

(b) The principal office located in this State of the registered dealer, if any, shall not be considered a branch office.

[Added, eff. July 1, 1989; amended by emergency eff. 7-8-97 for a maximum of 150 days; Amended eff. 12-1-97.]

[¶ 22,632A]

Sec. 130.281. Definition of the term "branch office" of a registered investment adviser or a federal covered investment adviser, as used in Section 8 of the Act. (a) "Branch office" as used in Section 8 of the Act shall mean any office,

residence or other place or location in this State where the registered investment adviser or the federal covered investment adviser or their investment adviser representatives provide investment advisory services, solicit, meet with, or otherwise communicate with clients, or any other location that is held out to the general public as a location at which the registered investment adviser or the federal covered investment adviser or their investment adviser representatives provide investment advisory services, solicit, meet with, or otherwise communicate with clients.

(b) The principal office located in this State of the registered investment adviser or the federal covered investment adviser, if any, shall not be considered a branch office.

[Added by emergency eff. 7-8-97 for a maximum of 150 days; Amended eff. 12-1-97.]

[¶ 22,633]

Sec. 130.282. Definition, for certain purposes, of the term "officers", as used in Section 2.9 and Section 8.B.(6) of the Act. The term "officers" as used in Section 2.9 of the Act means the president, any vice president in charge of a principal business unit, division or function, the secretary, and the treasurer or principal financial officer, comptroller or principal accounting officer. The term "officers" as used in Section 8.B.(6) of the Act means the president, any vice president in charge of a principal business unit, division or function, the secretary, the treasurer, any principal financial officer, comptroller or principal accounting officer, and any other officer who performs a principal policy making function.

[¶ 22,634]

Sec. 130.285. Definition, for certain purposes, of the terms "inequitable", "tend to work a fraud or deceit", "inequitable practice in the sale of securities", and "fraudulent business practices", as used in Section 8 and Section 11 of the Act. (a) The failure of any dealer or salesperson to comply with Sections 130.810, 130.821, 130.824, 130.825, 130.826, 130.827, 130.850, and 130.851 of this Part shall constitute an inequitable practice in the sale of securities and a fraudulent business practice.

(b) The failure of any investment adviser to comply with Sections 130.840, 130.841, 130.844, 130.845, 130.852, 130.853, and 130.854 of this Part shall constitute an inequitable practice in the sale of securities and a fraudulent business practice.