WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1982

ENROLLED
SENATE BILL NO. 61

(By Mr. Williams)

PASSED March 13, 1982
In Effect from Passage
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Senate Bill No. 61
(BY MR. WILLIAMS)

[Passed March 13, 1982; in effect from passage.]

AN ACT to amend and reenact section two hundred two, article two, chapter thirty-two of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the registration procedure for securities broker-dealers, agents and investment advisers; increasing fees for registration.

Be it enacted by the Legislature of West Virginia:

That section two hundred two, article two, chapter thirty-two of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 2. REGISTRATION OF BROKER-DEALERS, AGENTS AND INVESTMENT ADVISERS.

1 (a) A broker-dealer, agent or investment adviser may obtain an initial or renewal registration by filing with the commissioner an application together with a consent to service of process pursuant to section four hundred fourteen-(g). The application shall contain whatever information the commissioner by rule requires concerning such matters as (1) the applicant’s firm and place of organization; (2) the applicant's proposed method of doing business; (3) the qualifications and business history of the applicant; in the case of a broker-dealer or investment adviser, the qualifications and business history of any partner, officer or director, any person occupying a similar status or performing similar functions, or any person directly
or indirectly controlling the broker-dealer or investment
adviser; and, in the case of an investment adviser, the
qualifications and business history of any employee; (4) any
injunction or administrative order or conviction of a
misdemeanor involving a security or any aspect of the
securities business and any conviction of a felony; and (5) the
applicant’s financial condition and history. The
commissioner may by rule or order require an applicant for
initial registration to publish an announcement of the
application as a Class I legal advertisement in compliance
with the provisions of article three, chapter fifty-nine of this
code, and the publication area or areas for such publication
shall be specified by the commissioner. If no denial order is in
effect and no proceeding is pending under section two
hundred four, registration becomes effective at noon of the
thirtieth day after an application is filed. The commissioner
may by rule or order specify an earlier effective date, and he
may by order defer the effective date until noon of the
thirtieth day after the filing of any amendment. Registration
of a broker-dealer automatically constitutes registration of
any agent who is a partner, officer or director, or a person
occupying a similar status or performing similar functions, as
designated by the broker-dealer in writing to the
commissioner and approved in writing by the commissioner.
(b) Every applicant for initial or renewal registration shall
pay a filing fee of one hundred fifty dollars in the case of a
broker-dealer, thirty dollars in the case of an agent, and one
hundred dollars in the case of an investment adviser. When
application is denied or withdrawn, the commissioner shall
retain all of the fee.
(c) A registered broker-dealer or investment adviser may
file an application for registration of a successor, whether or
not the successor is then in existence, for the unexpired
portion of the year. A filing fee of twenty dollars shall be paid.
(d) The commissioner may by rule require a minimum
capital for registered broker-dealers and investment advisers.
(e) The commissioner may by rule require registered
broker-dealers, agents and investment advisers to post surety
bonds in amounts up to ten thousand dollars, and may
determine their conditions. Any appropriate deposit of cash
or securities shall be accepted in lieu of any bond so required.
No bond may be required of any registrant whose net capital,
which may be defined by rule, exceeds twenty-five thousand
dollars. Every bond shall provide for suit thereon by any person who has a cause of action under section four hundred ten and, if the commissioner by rule or order requires, by any person who has a cause of action not arising under this chapter. Every bond shall provide that no suit may be maintained to enforce any liability on the bond unless brought within two years after the sale or other act upon which it is based.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

To take effect from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within approved this the 30 day of March, 1982.

Governor