

502.204 Denial, suspension, revocation, condition, or limitation of exemptions.

1. *Enforcement-related powers.* Except with respect to a federal covered security or a transaction involving a federal covered security, an order under this chapter may deny, suspend application of, condition, limit, or revoke an exemption created under section 502.201, subsection 3, paragraph "c", or subsection 7, 8A, or 8B, or section 502.202, or an exemption or waiver created under section 502.203 with respect to a specific security, transaction, or offer. An order under this section may be issued only pursuant to the procedures in section 502.306, subsection 4, or section 502.604, and only prospectively.

2. *Knowledge of order required.* A person does not violate section 502.301, 502.303 through 502.306, 502.504, or 502.510 by an offer to sell, offer to purchase, sale, or purchase effected after the entry of an order issued under this section if the person did not know, and in the exercise of reasonable care could not have known, of the order.

[C31, 35, § 8581-c4; C39, § **8581.04**; C46, 50, 54, 58, 62, 66, 71, 73, 75, § 502.4(5); C77, 79, 81, § 502.204]

2004 Acts, ch 1161, §8, 68; 2005 Acts, ch 19, §75