502.408 Termination of employment or association of agent and investment adviser representative and transfer of employment or association.

1. *Notice of termination.* If an agent registered under this chapter terminates employment by or association with a broker-dealer or issuer, or if an investment adviser representative registered under this chapter terminates employment by or association with an investment adviser or federal covered investment adviser, or if either registrant terminates activities that require registration as an agent or investment adviser representative, the broker-dealer, issuer, investment adviser, or federal covered investment adviser shall promptly file a notice of termination. If the registrant learns that the broker-dealer, issuer, investment adviser, or federal covered investment adviser has not filed the notice, the registrant may do so.

2. *Transfer of employment or association.* If an agent registered under this chapter terminates employment by or association with a broker-dealer registered under this chapter and begins employment by or association with another broker-dealer registered under this chapter, or if an investment adviser representative registered under this chapter terminates employment by or association with an investment adviser registered under this chapter or a federal covered investment adviser that has filed a notice under section 502.405 and begins employment by or association with another investment adviser registered under this chapter or a federal covered investment adviser that has filed a notice under section 502.405, then upon the filing by or on behalf of the registrant, within thirty days after the termination, of an application for registration that complies with the requirement of section 502.406, subsection 1, and payment of the filing fee required under section 502.410, the registration of the agent or investment adviser representative is one of the following:

a. Immediately effective as of the date of the completed filing, if the agent's central registration depository record or successor record or the investment adviser representative's investment adviser registration depository record or successor record does not contain a new or amended disciplinary disclosure within the previous twelve months.

b. Temporarily effective as of the date of the completed filing, if the agent's central registration depository record or successor record or the investment adviser representative's investment adviser registration depository record or successor record contains a new or amended disciplinary disclosure within the preceding twelve months.

3. *Withdrawal of temporary registration.* The administrator may withdraw a temporary registration if there are or were grounds for discipline as specified in section 502.412 and the administrator does so within thirty days after the filing of the application. If the administrator does not withdraw the temporary registration within the thirty-day period, registration becomes automatically effective on the thirty-first day after filing.

4. *Power to prevent registration.* The administrator may prevent the effectiveness of a transfer of an agent or investment adviser representative under subsection 2, paragraph "*a*" or "*b*", based on the public interest and the protection of investors.

5. *Termination of registration or application for registration.* If the administrator determines that a registrant or applicant for registration is no longer in existence or has ceased to act as a broker-dealer, agent, investment adviser, or investment adviser representative, or is the subject of an adjudication of incapacity or is subject to the control of a committee, conservator, or guardian, or cannot reasonably be located, a rule adopted or order issued under this chapter may require that the registration be canceled or terminated or the application denied. The administrator may reinstate a canceled or terminated registration, with or without hearing, and may make the registration retroactive.

98 Acts, ch 1106, §15, 24; 2004 Acts, ch 1161, §33, 68