

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](#)

Referred to in [§502.201, 502.604](#)