



# RULE-MAKING ORDER

**CR-103P (May 2009)**  
**(Implements RCW 34.05.360)**

**Agency:** Department of Financial Institutions, Securities Division

**Permanent Rule Only**

**Effective date of rule:**

**Permanent Rules**

31 days after filing.

Other (specify) \_\_\_\_\_ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

Yes  No If Yes, explain:

**Purpose:**

The rulemaking will create a new rule at WAC 460-23B-070 regarding the termination of salespersons for issuers. RCW 21.20.080 states that if the employment or association of a salesperson for an issuer is terminated, the salesperson and the issuer must notify the Securities Division of the termination. However, RCW 21.20.080 does not specify how to make this notification. The new rule will specify that if the employment or association of a salesperson for an issuer is terminated, the salesperson and the issuer must notify the Securities Division of the termination by filing Form U5 (the Uniform Termination Notice for Securities Industry Registration) with the Division. The rule will clarify how issuers and salespersons for issuers should comply with the existing statute.

**Citation of existing rules affected by this order:**

Repealed: None.  
Amended: None.  
Suspended: None.

**Statutory authority for adoption:** RCW 21.20.070; RCW 21.20.080; RCW 21.20.450

**Other authority:** None.

**PERMANENT RULE (Including Expedited Rule Making)**

Adopted under notice filed as WSR 14-17-037 on August 13, 2014.

Describe any changes other than editing from proposed to adopted version:

None.

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name: \_\_\_\_\_ phone ( ) \_\_\_\_\_  
Address: \_\_\_\_\_ fax ( ) \_\_\_\_\_  
e-mail \_\_\_\_\_

**Date adopted:** 10/15/2014

**NAME (TYPE OR PRINT)**  
Scott Jarvis

**SIGNATURE**

**TITLE**  
Director

**CODE REVISER USE ONLY**

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

**DATE: October 15, 2014**

**TIME: 11:11 AM**

**WSR 14-21-101**

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.**

**The number of sections adopted in order to comply with:**

<b>Federal statute:</b>	New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>
<b>Federal rules or standards:</b>	New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>
<b>Recently enacted state statutes:</b>	New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>

**The number of sections adopted at the request of a nongovernmental entity:**

	New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>
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**The number of sections adopted in the agency's own initiative:**

	New	<u>1</u>	Amended	<u>0</u>	Repealed	<u>0</u>
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

	New	<u>1</u>	Amended	<u>0</u>	Repealed	<u>0</u>
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**The number of sections adopted using:**

<b>Negotiated rule making:</b>	New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>
<b>Pilot rule making:</b>	New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>
<b>Other alternative rule making:</b>	New	<u>0</u>	Amended	<u>0</u>	Repealed	<u>0</u>