

WAC 460-20C-060 Notice of changes by broker-dealers. If you are a broker-dealer registered or required to be registered under RCW 21.20.040, you must comply with the following requirements:

(1) You must promptly amend your Form BD if there is a material change to the information contained in the form, or if the information contained in the form is or becomes inaccurate or incomplete in any material respect. If you are a member of FINRA, you must file amendments to Form BD through CRD. If you are not a member of FINRA, you must submit your amended Form BD directly to the director. A material change includes, but is not necessarily limited to, the following:

(a) A change in the name, ownership, management, or control of a broker-dealer;

(b) A change in any of a broker-dealer's partners, directors, officers, or persons occupying a similar status performing similar functions;

(c) A change in the business address or creation or termination of a branch office;

(d) A change in the supervisory personnel of a branch office;

(e) A change in the type of business engaged in by the broker-dealer;

(f) Insolvency, dissolution, liquidation, or a material change in working capital;

(g) Noncompliance with minimum net capital requirements;

(h) Termination of business or discontinuance of activities as a broker-dealer;

(i) Filing of a criminal charge or civil action against the broker-dealer or any of the broker-dealer's salespersons registered under RCW 21.20.040 which alleges a violation of securities laws;

(j) Commencement of or notice of intent to commence any action by an administrative agency, regulatory agency, self-regulatory organization, or court to consider whether to deny, suspend, or revoke a registration, impose a fine, injunction, cease or desist, or other penalty upon the broker-dealer, and the result of such action, including subsequent measures taken by any agency, organization, or court;

(k) Filing of a civil action against any broker-dealer registered under RCW 21.20.040 alleging a cause of action other than a securities violation which, if proven, would materially affect the ability of the broker-dealer to do business, including any action materially affecting the financial condition of the broker-dealer; and

(l) Any restriction or condition placed on the activities of the broker-dealer by any regulatory agency or self-regulatory organization.

(2) You must promptly amend the Form U4 for any associated salesperson if there is a material change to the information contained in the form, or if the information contained in the form is or becomes inaccurate or incomplete in any material respect. If you are a member of FINRA, you must file amendments to Form U4 through CRD. If you are not a member of FINRA, you must submit the amended Form U4 directly to the director.

(3) You must notify the director of the employment or association of any new salesperson in Washington by submitting a completed Form U4 through CRD (or directly to the director if you are not a member of FINRA) within 21 days after the employment or association.

(4) You must notify the director of the termination of employment of any salesperson in Washington by submitting a completed Form U5 through CRD (or directly to the director if you are not a member of FINRA) within 30 days after the event occurs.

[Statutory Authority: RCW 21.20.070 and 21.20.450. WSR 24-19-055, s
460-20C-060, filed 9/12/24, effective 10/13/24.]