

REQUIREMENTS OF §§ 11-502 AND 11-504 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE SHALL FILE WITH THE COMMISSIONER THE INFORMATION OTHERWISE REQUIRED BY § 11-502 OR § 11-504 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

(E) CEASE AND DESIST ORDER; HEARING.

(1) IF THE COMMISSIONER DETERMINES THAT A PERSON HAS ENGAGED IN OR IS ABOUT TO ENGAGE IN AN ACT OR PRACTICE THAT VIOLATES THIS SECTION, THE COMMISSIONER, WITHOUT NOTICE AND BEFORE A HEARING, MAY ISSUE AND CAUSE TO BE SERVED ON THE PERSON AN ORDER TO CEASE AND DESIST FROM ENGAGING IN THE ACTS FOR WHICH FILING IS REQUIRED UNDER THIS SECTION.

(2) (I) UNLESS POSTPONED BY MUTUAL CONSENT OF THE PARTIES, THE COMMISSIONER SHALL HOLD A HEARING WITHIN 30 DAYS AFTER THE DATE OF THE ORDER.

(II) THE COMMISSIONER SHALL PROVIDE NOTICE OF THE HEARING TO EACH PARTY.

(F) ENFORCEMENT.

THE COMMISSIONER HAS THE ENFORCEMENT POWERS LISTED IN §§ 2-201 AND 2-203 OF THIS ARTICLE.

(G) PENALTY.

(1) IN ADDITION TO ANY PENALTY OTHERWISE APPLICABLE UNDER THIS ARTICLE, THE COMMISSIONER MAY IMPOSE A CIVIL PENALTY NOT EXCEEDING \$500 FOR EACH VIOLATION OF THIS SECTION.

(2) EACH DAY A VIOLATION OF THIS SECTION CONTINUES IS A SEPARATE VIOLATION.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 31A.

In subsection (a) of this section, the definition of "Maryland Securities Act" or "Act" is deleted as unnecessary in light of CA § 11-805.

Subsection (b)(1) of this section is revised as a scope provision, rather than a definition of "person", for clarity and to avoid confusion with the defined term "person" in § 1-101 of this article. The former definition of "person" seemed intended to delineate who must comply with the filing requirements of this section.

In subsection (c) of this section, the phrase "under the Maryland Securities Act" is added for clarity.

In subsection (d) of this section, the phrase "[a]t least" is added to modify "30 days" because the former law did not seem to require filing exactly 30 days before a proposed sale or offer to sell.