

(II) A SELLER, ANY PARTNER, OFFICER, OR DIRECTOR OF THE SELLER, OR ANY PERSON OCCUPYING A SIMILAR STATUS OR PERFORMING SIMILAR FUNCTIONS AS THE SELLER; OR

(III) A PERSON THAT DIRECTLY OR INDIRECTLY CONTROLS OR IS CONTROLLED BY THE SELLER IF THE PERSON FILING THE REGISTRATION IS DIRECTLY OR INDIRECTLY CONTROLLED BY OR ACTING FOR THE SELLER;

(3) EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, THE BUSINESS OPPORTUNITY REGISTERED OR SOUGHT TO BE REGISTERED IS THE SUBJECT OF AN ORDER DENYING, SUSPENDING, OR REVOKING A REGISTRATION OR A PERMANENT OR TEMPORARY INJUNCTION OF ANY COURT OF COMPETENT JURISDICTION;

(4) THE SELLER'S ENTERPRISE OR METHOD OF BUSINESS, OR THAT OF THE BUSINESS OPPORTUNITY, INCLUDES OR WOULD INCLUDE ACTIVITIES THAT ARE ILLEGAL WHERE PERFORMED;

(5) THE BUSINESS OPPORTUNITY OR THE OFFERING OF A BUSINESS OPPORTUNITY HAS WORKED OR TENDED TO WORK A FRAUD UPON PURCHASERS OR WOULD SO OPERATE;

(6) THERE HAS BEEN A FAILURE TO FILE ANY DOCUMENTS OR INFORMATION REQUIRED BY § 14-113.1; OR

(7) THE SELLER'S LITERATURE OR ADVERTISING IS MISLEADING, INCORRECT, INCOMPLETE, OR DECEPTIVE

(B) (1) THE COMMISSIONER MAY ENTER A DENIAL ORDER IF THE COMMISSIONER FINDS THAT THE ORDER IS IN THE PUBLIC INTEREST AND THE SELLER HAS FAILED TO PAY THE PROPER REGISTRATION FEE.

(2) THE COMMISSIONER SHALL VACATE ANY SUCH ORDER WHEN THE DEFICIENCY HAS BEEN CORRECTED.

(C) THE COMMISSIONER MAY NOT:

(1) INSTITUTE A PROCEEDING AGAINST AN EFFECTIVE REGISTRATION UNDER SUBSECTION (A)(3) OF THIS SECTION MORE THAN 1 YEAR AFTER THE DATE OF THE ORDER OR INJUNCTION RELIED ON; OR

(2) PASS AN ORDER UNDER SUBSECTION (A)(3) OF THIS SECTION ON THE BASIS OF AN ORDER OR INJUNCTION ENTERED UNDER ANY OTHER STATE ACT UNLESS THAT ORDER OR INJUNCTION WAS BASED ON FACTS WHICH WOULD CURRENTLY CONSTITUTE GROUNDS FOR AN ORDER UNDER THIS SECTION.

(D) BY ORDER, THE COMMISSIONER SUMMARILY MAY POSTPONE OR SUSPEND THE EFFECTIVENESS OF THE REGISTRATION PENDING FINAL DETERMINATION OF ANY PROCEEDING UNDER THIS SECTION.

(E) UPON THE ENTRY OF THE ORDER, THE COMMISSIONER SHALL PROMPTLY NOTIFY THE SELLER: