

(10) Has failed reasonably to supervise [his] THE BROKER-DEALER'S agents, if [he] THE PERSON is a broker-dealer, or [his] THE investment [adviser] ADVISER'S representatives, if [he] THE PERSON is an investment adviser; or

(11) Has failed to pay the proper [filing] fee, but the Commissioner may enter only a denial order under this item (11), and [he] THE COMMISSIONER shall vacate the order when the deficiency is corrected.

[(b) The Commissioner may not institute a suspension or revocation proceeding on the basis of a fact or transaction known to him when the registration became effective unless the proceeding is instituted within the next 30 days.]

(B) (1) IN THIS SUBSECTION, "FINAL ADMINISTRATIVE ORDER" DOES NOT INCLUDE AN ORDER THAT IS STAYED OR SUBJECT TO FURTHER REVIEW OR APPEAL.

(2) IF AN APPLICANT FOR INITIAL REGISTRATION DISCLOSES THE EXISTENCE OF A FINAL JUDICIAL OR ADMINISTRATIVE ORDER TO THE COMMISSIONER BEFORE THE EFFECTIVE DATE OF THE INITIAL REGISTRATION, THE COMMISSIONER MAY NOT INSTITUTE A SUSPENSION OR REVOCATION PROCEEDING BASED SOLELY ON THE JUDICIAL OR ADMINISTRATIVE ORDER UNLESS THE PROCEEDING IS INITIATED WITHIN 90 DAYS IMMEDIATELY FOLLOWING THE EFFECTIVE DATE OF THE APPLICANT'S INITIAL REGISTRATION.

(c) The following provisions govern the application of subsection (a)(9) of this section:

(1) The Commissioner may not enter an order against a broker-dealer on the basis of the lack of qualification of any person other than [the] THAT broker-dealer [himself,] if [he] THE BROKER-DEALER is an individual, or an agent of the broker-dealer;

(2) The Commissioner may not enter an order against an investment adviser on the basis of the lack of qualification of any person other than [the] THAT investment adviser [himself,] if [he] THE INVESTMENT ADVISER is an individual, or an investment adviser representative of the investment adviser;

(3) The Commissioner may not enter an order solely on the basis of lack of experience if the applicant or registrant is qualified by training or knowledge or both;

(4) The Commissioner shall consider that an agent who will work under the supervision of a registered broker-dealer need not have the same qualifications as a broker-dealer and that an investment adviser representative who will work under the supervision of a registered investment adviser need not have the same qualifications as an investment adviser;

(5) The Commissioner shall consider that an investment adviser is not necessarily qualified solely on the basis of experience as a broker-dealer or agent. When [he] THE COMMISSIONER finds that an applicant for initial or renewal registration as a broker-dealer is not qualified as an investment adviser, [he] THE COMMISSIONER by order may condition the applicant's registration as a broker-dealer upon [his] THE BROKER-DEALER not transacting business in this State as an investment adviser; and