

| | | |
|------|----|------------|
| 130' | H6 | 1920(1920) |
| | H5 | 1680(1680) |
| | H4 | 1680(1680) |
| | H3 | 1490(1490) |
| | H2 | 1490(1490) |
| | H1 | 1310(1160) |
| | 1 | 1120(990) |
| | 2 | 970(870) |

¹ Pole class definitions taken from American National Standard specifications and dimensions for wood poles as approved August 7, 1976 under American National Standard Institute, Inc. codified ANSI 05.1-1972.

² The number, enclosed in parenthesis after the total Scribner pole volume for each pole length and class, is the volume per pole for Number 2 Sawmill and better log grade, where applicable.

(6) **Timber piling volume table.** Harvesters of piling in stumpage value areas 1, 2, 3, 4, and 5 shall use the following table to determine the Scribner board foot volume for each piling length and class:

| Piling Length | Piling Class ¹ | Total Scribner Board Foot Volume by Pole Length by Pole Class ² |
|---------------|---------------------------|--|
| 20' | A | 80 |
| | B | 70 |
| 25' | A | 100 |
| | B | 90 |
| 30' | A | 130 |
| | B | 110 |
| 35' | A | 130 |
| | B | 110 |
| 40' | A | 150 |
| | B | 120 |
| 45' | A | 150 |
| | B | 120 |
| 50' | A | 160 |
| | B | 140 |
| 55' | A | 180 |
| | B | 150 |
| 60' | A | 190 |
| | B | 160 |
| 65' | A | 210 |
| | B | 180 |
| 70' | A | 230 |
| | B | 190 |
| 75' | A | 230 |
| | B | 200 |
| 80' | A | 250 |
| | B | 210 |
| 85' | A | 260(140) |
| | B | 210 |

| | | |
|------|---|----------|
| 90' | A | 260(150) |
| | B | 220 |
| 95' | A | 290(150) |
| | B | 240 |
| 100' | A | 310(160) |
| | B | 250 |
| 105' | A | 330(170) |
| | B | 270 |
| 110' | A | 380(220) |
| | B | 300(180) |
| 115' | A | 400(230) |
| | B | 310(190) |
| 120' | A | 500(290) |
| | B | 400(240) |

¹ Piling class definitions as per American Society for Testing and Materials for "round timber piles." As the designation: D 25-58 (reapproved 1964).

² The number, enclosed in parenthesis after the total Scribner board foot volume for each piling length and class, is the volume per piling for Number 2 Sawmill and better log grade, where applicable.

(7) Harvesters who wish to use a method of conversion other than those listed above must obtain written approval from the department before harvesting.

[Statutory Authority: RCW 82.32.300 and 84.33.096. 95-14-086, § 458-40-684, filed 6/30/95, effective 7/1/95. Statutory Authority: RCW 84.33.091, 84.32.300 [82.32.300] and 84.33.096. 92-14-083, § 458-40-684, filed 6/29/92, effective 7/1/92. Statutory Authority: Chapter 84.33 RCW. 87-02-023 (Order 86-4), § 458-40-684, filed 12/31/86.]

Title 460 WAC FINANCIAL INSTITUTIONS (SECURITIES DIVISION)

Chapters

- 460-10A Definitions.
- 460-16A General rules.
- 460-20A Broker-dealers and salesmen.
- 460-20B Broker-dealer registration.
- 460-21B Broker-dealer practices.
- 460-22B Salespersons of broker-dealers.
- 460-23B Salespersons for issuers.
- 460-24A Investment advisers.
- 460-33A Regulations concerning securities involving mortgages, trust deeds or property sales contracts.
- 460-46A Corporate limited offering exemption.
- 460-52A Nonprofit organizations.
- 460-80 Franchise registration.

Chapter 460-10A WAC**DEFINITIONS****WAC**

460-10A-015 Division.

WAC 460-10A-015 Division. Means the securities division of the department of financial institutions.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-10A-015, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.450. 80-04-037 (Order SDO-37-80), § 460-10A-015, filed 3/19/80; Order 304, § 460-10A-015, filed 2/28/75, effective 4/1/75.]

Chapter 460-16A WAC**GENERAL RULES****WAC**

460-16A-101 Repealed.
 460-16A-102 Repealed.
 460-16A-103 Repealed.
 460-16A-104 Repealed.
 460-16A-105 Repealed.
 460-16A-106 Repealed.
 460-16A-108 Repealed.
 460-16A-109 Repealed.
 460-16A-205 Adoption of NASAA statements of policy.

**DISPOSITION OF SECTIONS FORMERLY
CODIFIED IN THIS CHAPTER**

460-16A-101 Application to promotional shares. [Statutory Authority: RCW 21.20.250 and 21.20.450. 88-03-015 (Order SDO-164A-87), § 460-16A-101, filed 1/11/88.] Repealed by 95-17-068, filed 8/16/95, effective 9/16/95. Statutory Authority: RCW 21.20.450.

460-16A-102 Definitions applicable to promotional shares. [Statutory Authority: RCW 21.20.450. 91-04-008, § 460-16A-102, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.250 and 21.20.450. 88-03-015 (Order SDO-164A-87), § 460-16A-102, filed 1/11/88.] Repealed by 95-17-068, filed 8/16/95, effective 9/16/95. Statutory Authority: RCW 21.20.450.

460-16A-103 Amount of promotional shares. [Statutory Authority: RCW 21.20.250 and 21.20.450. 88-03-015 (Order SDO-164A-87), § 460-16A-103, filed 1/11/88.] Repealed by 95-17-068, filed 8/16/95, effective 9/16/95. Statutory Authority: RCW 21.20.450.

460-16A-104 Escrow of promotional shares. [Statutory Authority: RCW 21.20.250 and 21.20.450. 88-03-015 (Order SDO-164A-87), § 460-16A-104, filed 1/11/88.] Repealed by 95-17-068, filed 8/16/95, effective 9/16/95. Statutory Authority: RCW 21.20.450.

460-16A-105 Release provisions. [Statutory Authority: RCW 21.20.250 and 21.20.450. 88-03-015 (Order SDO-164A-87), § 460-16A-105, filed 1/11/88; Order 304, § 460-16A-105, filed 2/28/75, effective 4/1/75. Formerly chapter 460-16 WAC.] Repealed by 95-17-068, filed 8/16/95, effective 9/16/95. Statutory Authority: RCW 21.20.450.

460-16A-106 Terms of escrow. [Statutory Authority: RCW 21.20.250 and 21.20.450. 88-03-015 (Order SDO-164A-87), § 460-16A-106, filed 1/11/88; Order 304, § 460-16A-106, filed 2/28/75, effective 4/1/75. Formerly chapter 460-16 WAC.] Repealed by 95-17-068, filed 8/16/95, effective 9/16/95. Statutory Authority: RCW 21.20.450.

460-16A-108 Inapplicability of restrictions on amounts of promotional shares. [Statutory Authority: RCW 21.20.450. 88-03-015 (Order SDO-164A-87), § 460-16A-108, filed 1/11/88; 82-20-067 (Order SDO-115-82), § 460-16A-108, filed 10/5/82.] Repealed by 95-17-068, filed 8/16/95, effective 9/16/95. Statutory Authority: RCW 21.20.450.

460-16A-109 Hi-tech exemption from promotional shares rules. [Statutory Authority: RCW 21.20.450. 88-03-015 (Order SDO-164A-87), § 460-16A-109, filed 1/11/88. Statutory Authority: RCW 21.20.280(8) and 21.20.450. 84-07-043 (Order SDO-39-84), § 460-16A-109, filed 3/21/84.] Repealed by 95-17-068, filed 8/16/95, effective 9/16/95. Statutory Authority: RCW 21.20.450.

WAC 460-16A-101 Repealed. See Disposition Table at beginning of this chapter.

WAC 460-16A-102 Repealed. See Disposition Table at beginning of this chapter.

WAC 460-16A-103 Repealed. See Disposition Table at beginning of this chapter.

WAC 460-16A-104 Repealed. See Disposition Table at beginning of this chapter.

WAC 460-16A-105 Repealed. See Disposition Table at beginning of this chapter.

WAC 460-16A-106 Repealed. See Disposition Table at beginning of this chapter.

WAC 460-16A-108 Repealed. See Disposition Table at beginning of this chapter.

WAC 460-16A-109 Repealed. See Disposition Table at beginning of this chapter.

WAC 460-16A-205 Adoption of NASAA statements of policy. (1) In order to promote uniform regulation, the administrator adopts the following North American Securities Administrators Association (NASAA) statements of policy for offerings registering pursuant to RCW 21.20.180 or 21.20.210:

(a) Registration of publicly offered cattle feeding programs, as adopted September 17, 1980;

(b) Registration of commodity pool programs, as adopted with amendments through August 30, 1990;

(c) Equipment programs, as adopted with amendments through March 29, 1992;

(d) Registration of oil and gas programs, as adopted with amendments through March 29, 1992;

(e) Real estate investment trusts, as adopted with amendments through September 29, 1993;

(f) Real estate programs, as adopted with amendments through March 29, 1992;

(g) Loans and other material affiliated transactions, as adopted with amendments through April 25, 1993;

(h) Options and warrants, as adopted with amendments through April 25, 1993;

(i) Registration of direct participation programs - omnibus guidelines, as adopted March 29, 1992;

(j) Registration of periodic payment plans, as adopted March 29, 1992;

(k) Church bonds, as adopted April 29, 1981;

(l) Health care facility offerings, pertaining to the offering of nonprofit health care facility bonds, as adopted April 5, 1985;

(m) Investment companies investing in debt securities rated below investment grade, as adopted April 17, 1994;

(n) Registration of master fund/feeder funds, as adopted September 15, 1992;

(o) Telephone transactions, as adopted September 29, 1993; and

(p) Promotional shares, as adopted September 3, 1987, except that the term promotional shares shall be limited to those equity securities which were issued within the last three years and that all promotional shares in excess of twenty-five percent of the shares to be outstanding upon completion of the offering may be required to be deposited in escrow absent adequate justification that escrow of such shares is not in the public interest and not necessary for the protection of investors.

(2) An offering registering pursuant to RCW 21.20.180 or 21.20.210 that falls within one or more of the statements of policy listed in subsection (1) of this section must comply with the requirements of said statement of policy or policies.

(3) The statements of policy referred to in subsection (1) of this section are found in *CCH NASAA Reports* published by Commerce Clearing House. Copies are also available at the office of the securities administrator.

[Statutory Authority: RCW 21.20.450, 95-17-068, § 460-16A-205, filed 8/16/95, effective 9/16/95; 93-01-075, § 460-16A-205, filed 12/14/92, effective 1/14/93; 91-04-008, § 460-16A-205, filed 1/25/91, effective 2/25/91.]

Chapter 460-20A WAC BROKER-DEALERS AND SALESMEN

WAC

460-20A-005 through 460-20A-425 Repealed.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

460-20A-005 Definitions. [Order 304, § 460-20A-005, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-008 Fraudulent practices of broker-dealers and sales agents. [Statutory Authority: RCW 21.20.010, 21.20.110 and 21.20.450. 89-17-079 (Order SDO-126-89), § 460-20A-008, filed 8/17/89, effective 9/17/89.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-010 Churning. [Order 304, § 460-20A-010, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-015 Confirmation of transactions. [Order 304, § 460-20A-015, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-020 Disclosure of control of issuer. [Order 304, § 460-20A-020, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-025 Disclosure of interest in distributions. [Order 304, § 460-20A-025, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95,

effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-030 Record of transactions in discretionary accounts. [Order 304, § 460-20A-030, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-035 Control of the market. [Order 304, § 460-20A-035, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-045 Transmission or maintenance of payments received in connection with underwritings. [Order 304, § 460-20A-045, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-050 Disclosure and other requirements when extending or arranging credit in certain transactions. [Order 304, § 460-20A-050, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-100 Minimum net capital requirement for broker-dealers. [Order 304, § 460-20A-100, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-105 Net capital defined. [Order 304, § 460-20A-105, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-200 Books and records of broker-dealers. [Order 304, § 460-20A-200, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-205 Preservation of records. [Order 304, § 460-20A-205, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-210 Notice of changes by broker-dealers. [Statutory Authority: RCW 21.20.450. 85-23-063 (Order SDO-220-85), § 460-20A-210, filed 11/19/85; 85-16-068 (Order SDO-128-85), § 460-20A-210, filed 8/1/85; Order 304, § 460-20A-210, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-215 Notice of complaint. [Order 304, § 460-20A-215, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-220 Salesperson registration and examination. [Statutory Authority: RCW 21.20.070 and 21.20.450. 89-17-077 (Order SDO-123-89), § 460-20A-220, filed 8/17/89, effective 9/17/89. Statutory Authority: RCW 21.20.070, 21.20.080, 21.20.340 and 21.20.450. 88-17-011 (Order SDO-047-88), § 460-20A-220, filed 8/8/88. Statutory Authority: RCW 21.20.450. 85-23-063 (Order SDO-220-85), § 460-20A-220, filed 11/19/85; 85-16-068 (Order SDO-128-85), § 460-20A-220, filed 8/1/85; 82-02-033 (Order SDO-149-81), § 460-20A-220, filed 12/31/81; 80-04-037 (Order SDO-37-80), § 460-20A-220, filed 3/19/80; Order 304, § 460-20A-220, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

460-20A-230 Broker-dealer registration and examination. [Statutory Authority: RCW 21.20.070 and 21.20.450. 89-17-077 (Order SDO-123-89), § 460-20A-230, filed 8/17/89, effective 9/17/89. Statutory Authority: RCW 21.20.070,

- 21.20.080, 21.20.340 and 21.20.450. 88-17-011 (Order SDO-047-88), § 460-20A-230, filed 8/8/88. Statutory Authority: RCW 21.20.450. 85-23-063 (Order SDO-220-85), § 460-20A-230, filed 11/19/85; 85-16-068 (Order SDO-128-85), § 460-20A-230, filed 8/1/85; 82-02-033 (Order SDO-149-81), § 460-20A-230, filed 12/31/81; Order 342, § 460-20A-230, filed 9/29/75; Order 304, § 460-20A-230, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.
- 460-20A-235 Condominium salesmen and broker-dealers. [Order 304, § 460-20A-235, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.
- 460-20A-400 Dual representation and affiliation. [Statutory Authority: RCW 21.20.450. 90-09-058, § 460-20A-400, filed 4/17/90, effective 5/18/90; 85-23-063 (Order SDO-220-85), § 460-20A-400, filed 11/19/85; 85-16-068 (Order SDO-128-85), § 460-20A-400, filed 8/1/85; Order 342, § 460-20A-400, filed 9/29/75; Order 304, § 460-20A-400, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.
- 460-20A-405 Receipt of both securities sales commission and investment adviser fees. [Statutory Authority: RCW 21.20.450. 85-03-042 (Order SDO-1-85), § 460-20A-405, filed 1/11/85.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.
- 460-20A-410 Part-time salesman or investment adviser salesman. [Order 342, § 460-20A-410, filed 9/29/75; Order 304, § 460-20A-410, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.
- 460-20A-415 Broker-dealer financial statement. [Order 304, § 460-20A-415, filed 2/28/75, effective 4/1/75. Formerly chapter 460-20 WAC.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.
- 460-20A-420 Dishonest or unethical business practices—Broker-dealers. [Statutory Authority: RCW 21.20.010, 21.20.110 and 21.20.450. 89-17-079 (Order SDO-126-89), § 460-20A-420, filed 8/17/89, effective 9/17/89. Statutory Authority: RCW 21.20.450. 85-02-023 (Order SDO-202-84), § 460-20A-420, filed 12/27/84.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.
- 460-20A-425 Dishonest or unethical business practices—Salespersons. [Statutory Authority: RCW 21.20.010, 21.20.110 and 21.20.450. 89-17-079 (Order SDO-126-89), § 460-20A-425, filed 8/17/89, effective 9/17/89. Statutory Authority: RCW 21.20.450. 85-02-023 (Order SDO-202-84), § 460-20A-425, filed 12/27/84.] Repealed by 95-16-026, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.070 and 21.20.450.

WAC 460-20A-005 through 460-20A-425 Repealed.

See Disposition Table at beginning of this chapter.

Chapter 460-20B WAC

BROKER-DEALER REGISTRATION

WAC

- 460-20B-010 Application.
- 460-20B-020 Definitions.
- 460-20B-030 Registration procedure.
- 460-20B-040 Examination requirements.
- 460-20B-050 Expiration of broker-dealer license, renewal procedure, and delinquency fees.

- 460-20B-060 Notice of changes by broker-dealers.

WAC 460-20B-010 Application. The rules contained in this chapter apply to broker-dealers (other than mortgage broker-dealers under chapter 460-33A WAC).

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-20B-010, filed 7/21/95, effective 8/21/95.]

WAC 460-20B-020 Definitions. For the purposes of this chapter and chapters 460-21B, 460-22B, and 460-23B WAC:

(1) "Central Registration Depository" ("CRD") shall mean the national registration system operated by the National Association of Securities Dealers, Inc. pursuant to a contract with the North American Securities Administrators Association.

(2) "Balance sheet" shall mean a balance sheet prepared in accordance with generally accepted accounting principles.

(3) "Branch office," for the purpose of this chapter, shall mean any office, residence or other place or location in this state where the business of a registered broker-dealer is conducted and which is owned or controlled by, or operated directly or indirectly for the benefit of, the registered broker-dealer, and where the business of a broker-dealer is conducted by a principal, salesperson, or salespersons for such registered broker-dealer, except that the following are not considered branch offices:

(a) Any location identified in a telephone directory line listing or on a business card or letterhead, which listing, card, or letterhead also sets forth the address and telephone number of the office from which persons conducting business from the location are directly supervised;

(b) Any location referred to, in an advertisement by a broker-dealer, by its local telephone number or local post office box provided that such reference may not include the street address of the location and that such reference also sets forth the address and telephone number of the office from which persons conducting business at the location are directly supervised;

(c) Any location identified by address in a broker-dealer's sales literature, provided that the sales literature also sets forth the address and telephone number of the office from which persons conducting business at the location are directly supervised; or

(d) The principal office of the broker-dealer.

(4) "OTC non-NASDAQ equity securities" shall mean equity securities not traded on a national securities exchange or on NASDAQ. Equity securities quoted on the NASD's OTC Bulletin Board are OTC non-NASDAQ equity securities.

[Statutory Authority: RCW 21.20.450. 95-24-002, § 460-20B-020, filed 11/22/95, effective 12/23/95. Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-20B-020, filed 7/21/95, effective 8/21/95.]

WAC 460-20B-030 Registration procedure. (1) Broker-dealers that are members of the National Association of Securities Dealers must:

(a) Submit Form BD designating Washington as a state in which the broker-dealer requests registration to the Central Registration Depository together with the required fee; and

(b) Submit to the securities division in a form acceptable to the administrator such additional information as the administrator may require.

(2) Broker-dealers that are not members of the National Association of Securities Dealers must submit the following to the securities division:

(a) A check for the required fee made out to "state treasurer";

(b) A complete Form BD;

(c) Balance sheet as of a date not more than ninety days before the date of filing, and computation of net capital and aggregate indebtedness ratio of the same date as the balance sheet;

(d) A copy of any subordination agreement;

(e) Proof of passage of qualifying examinations by the designated principals;

(f) Such other information as the administrator may require.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-20B-030, filed 7/21/95, effective 8/21/95.]

WAC 460-20B-040 Examination requirements. (1)

In order to be licensed in this state as a broker-dealer, the individual applicant, an officer if the applicant is a corporation, a manager if the applicant is a limited liability company, or a general partner if the applicant is a partnership, shall pass the following examinations:

(a) The uniform securities agent state law examination (series 63); or the uniform combined state law examination (series 66); and

(b) The appropriate qualifying examination or examinations administered by such national securities association for the activities in which the broker-dealer is to engage.

(2) If the individual officer who takes the examination on behalf of a corporate applicant or the individual general partner who takes the examination on behalf of a partnership ceases to be an officer or general partner, then the broker-dealer must notify the securities administrator of a substitute officer or general partner who has passed the same category of examination specified in subsection (1) of this section within two months of the date of substitution in order to maintain the broker-dealer's license.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-20B-040, filed 7/21/95, effective 8/21/95.]

WAC 460-20B-050 Expiration of broker-dealer license, renewal procedure, and delinquency fees. The broker-dealer licenses issued pursuant to this chapter shall be effective until December 31 at which time they shall be renewed or be delinquent. For any renewal application postmarked after the expiration date but received by the administrator on or before March 1, the licensee shall pay a delinquency fee of one hundred dollars in addition to the renewal fee. No renewal applications will be accepted thereafter.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-20B-050, filed 7/21/95, effective 8/21/95.]

WAC 460-20B-060 Notice of changes by broker-dealers. (1) Each licensed broker-dealer shall, upon any change in the information contained in its application for a

certificate (other than financial information contained therein), promptly file an amendment to such application setting forth the changed information (and in any event within thirty days after the change occurs).

(2) Each licensed broker-dealer shall notify the administrator of the employment of any new agent in Washington, giving the full name and Social Security number of the individual involved, the date of employment, and the location of the office in which he or she will be employed by submitting a completed NASD Form U-4 to the administrator or the administrator's designee within twenty-one days after the event occurs.

(3) Each licensed broker-dealer shall notify the administrator of the termination of employment of any agent in Washington by submitting a completed NASD Form U-5 to the administrator or the administrator's designee, within thirty days after the event occurs.

(4) With respect to any broker-dealer registered under the Securities Exchange Act of 1934, it shall be sufficient compliance with subsection (1) of this section if a copy of an amendment to Form BD of the Securities and Exchange Commission containing the required information, or transmitted for filing to, the administrator not later than the date on which such amendment is required to be filed with the Securities and Exchange Commission.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-20B-060, filed 7/21/95, effective 8/21/95.]

**Chapter 460-21B WAC
BROKER-DEALER PRACTICES**

WAC

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WAC 460-21B-008 Fraudulent practices of broker-dealers. A broker-dealer who engages in one or more of the following practices shall be deemed to have engaged in an "act, practice, or course of business which operates or would operate as a fraud" as used in RCW 21.20.010. This section is not intended to be all inclusive, and thus, acts or practices not enumerated herein may also be deemed fraudulent.

(1) Entering into a transaction with a customer in any security at an unreasonable price or at a price not reasonably related to the current market price of the security or receiving an unreasonable commission or profit.

(2) Contradicting or negating the importance of any information contained in a prospectus or other offering materials with intent to deceive or mislead or using any advertising or sales presentation in a deceptive or misleading manner.

(3) In connection with the offer, sale, or purchase of a security, falsely leading a customer to believe that the

broker-dealer or agent is in possession of material, nonpublic information which would impact on the value of the security.

(4) In connection with the solicitation of a sale or purchase of a security, engaging in a pattern or practice of making contradictory recommendations to different investors with similar investment objectives for some to sell and others to purchase the same security, at or about the same time, when not justified by the particular circumstance of each investor.

(5) Failing to make a bona fide public offering of all the securities allotted to a broker-dealer for distribution by, among other things:

(a) Transferring securities to a customer, another broker-dealer, or a fictitious account with the understanding that those securities will be returned to the broker-dealer or its nominees; or

(b) Parking or withholding securities.

(6) Although nothing in this section precludes application of the general antifraud provisions against anyone for practices similar in nature to the practices discussed below, the following subsections specifically apply only in connection with the solicitation of a purchase or sale of OTC non-NASDAQ equity securities:

(a) Failing to comply with rules adopted by the Securities and Exchange Commission under authority granted by the Penny Stock Act of 1990, i.e., United States Securities and Exchange Commission Rules 15g-1 through 15g-9 and 15g-100 (17 C.F.R. § 240.15g-1 through § 240.15g-6 adopted in Release 34-30608 issued 4/20/92; 17 C.F.R. § 240.15g-8 adopted in Release 34-30577 issued 4/13/92; 17 C.F.R. § 240.15g-9 originally adopted as § 240.15c2-6 in Release 34-27160 issued 8/22/89 and amended and redesignated as § 240.15g-9 in Release 34-32576 issued 8/11/93; 17 C.F.R. § 240.15g-100 adopted in Release 34-30608 issued 4/20/92 and amended in Release 34-32576 issued 7/2/93) which are hereby incorporated by reference.

(b) Conducting sales contests in a particular security.

(c) After a solicited purchase by a customer, failing or refusing, in connection with a principal transaction, to promptly execute sell orders.

(d) Soliciting a secondary market transaction when there has not been a bona fide distribution in the primary market.

(e) Engaging in a pattern of compensating an agent in different amounts for effecting sales and purchases in the same security.

(7) Effecting any transaction in, or inducing the purchase or sale of any security by means of any manipulative, deceptive, or other fraudulent device or contrivance including but not limited to the use of boiler room tactics or use of fictitious or nominee accounts.

(8) Failing to comply with any prospectus delivery requirement promulgated under federal law.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-21B-008, filed 7/21/95, effective 8/21/95.]

WAC 460-21B-010 Churning. The phrase "employ any device, scheme or artifice," as used in RCW 21.20.010(1), is hereby defined to include any act of any broker-dealer or agent designed to effect with or for any customer's account with respect to which such broker-dealer or his/her agent or employee is vested with any discretionary

power, or with respect to which he/she is able by reason of the customer's trust and confidence to influence the volume and frequency of the trades, any transactions of purchase or sale which are excessive in size or frequency in view of the financial resources and character of such account.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-21B-010, filed 7/21/95, effective 8/21/95.]

WAC 460-21B-020 Transmission or maintenance of payments received in connection with underwritings. It shall constitute a "device, scheme, or artifice to defraud" as used in RCW 21.20.010(1), for any broker-dealer participating in any distribution of securities, other than a firm commitment underwriting, to accept any part of the sale price of any security being distributed unless:

(1) The money or other consideration received is promptly transmitted to the persons entitled thereto; or

(2) If the distribution is being made on an "all-or-none" basis, or on any other basis which contemplates that payment is not to be made to the person on whose behalf the distribution is being made until some further event or contingency occurs:

(a) The money or other consideration received is promptly deposited in a separate bank account, as agent or trustee for the persons who have the beneficial interests therein, until the appropriate event or contingency has occurred, and then the funds are promptly transmitted or returned to the persons entitled thereto; or

(b) All such funds are promptly transmitted to a bank which has agreed in writing to hold all such funds in escrow for the persons who have the beneficial interests therein and to transmit or return such funds directly to the persons entitled thereto when the appropriate event or contingency has occurred.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-21B-020, filed 7/21/95, effective 8/21/95.]

WAC 460-21B-030 Minimum net capital requirement for broker-dealers. Every licensed broker-dealer shall meet the minimum net capital requirements required by the United States Securities and Exchange Commission. Copies of these requirements may be obtained from the securities division.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-21B-030, filed 7/21/95, effective 8/21/95.]

WAC 460-21B-040 Net capital defined. The definition of "net capital" shall be the same as the definition promulgated by the United States Securities and Exchange Commission. Copies of this definition may be obtained from the securities division.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-21B-040, filed 7/21/95, effective 8/21/95.]

WAC 460-21B-050 Books and records of broker-dealers. (1) Each registered broker-dealer shall make, maintain, and preserve books and records in compliance with United States Securities and Exchange Commission Rules 17a-3 (17 C.F.R. § 240.17a-3 (1991)), 17a-4 (17 C.F.R. § 240.17a-4(1991)), 15c2-6 (17 C.F.R. § 240.15c2-6 (1991))

and 15c2-11 (17 C.F.R. § 240.15c2-11 (1991) as amended in Release No. 34-29094, 56 Fed. Reg. 19148 (1991)) which are hereby incorporated by reference. To the extent that the United States Securities and Exchange Commission promulgates changes to the above-referenced rules, dealers in compliance with such rules as amended shall not be subject to enforcement action by the commission for violation of this rule to the extent that the violation results solely from the dealer's compliance with the amended rule.

(2) Each broker-dealer shall keep and maintain at each branch office or if the broker-dealer maintains no branch office in this state, at any office in this state where the broker-dealer conducts business, the following items relating to the operations of that branch office, which, together with any other books and records made or kept at the branch office, are open to inspection by the administrator or the administrator's designee pursuant to RCW 21.20.100:

(a) A complaint file containing every written customer complaint and a record of the action taken by the broker-dealer with respect to that complaint;

(b) A litigation file documenting each criminal or civil action filed in a state or federal court against the broker-dealer office or against any of its personnel with respect to a securities or investment advisory transaction and the disposition of any such litigation;

(c) A correspondence file containing all correspondence or copies thereof disseminated to or received from the public in connection with the business of the office;

(d) Copies of each confirmation of purchase or sale sent to each customer and each order ticket completed at the office;

(e) Copies of each periodic statement sent to a customer;

(f) Commission runs showing the amount of commissions earned by each salesperson of the broker-dealer;

(g) Copies or originals of new account records indicating the name and address of each customer or client, whether the customer or client is legally of age, the signature of the salesperson introducing the account, and the signature of the manager accepting the account for the broker-dealer. If a broker-dealer customer is associated with or employed by another broker-dealer, this fact must be recorded. In discretionary broker-dealer accounts, the broker-dealer shall also record:

(i) The age or approximate age and occupation of the customer;

(ii) The signature of the person authorizing the use of discretion;

(iii) The signature of each person authorized to exercise discretion in such account;

(h) Copies of each margin agreement;

(i) Copies of each written option agreement; and

(j) Blotter (or other records of original entry) containing an itemized daily record of all purchases and sales of securities at the office, all receipts and deliveries of securities (including certificate numbers) at the office, and all other debits and credits relating to the operation of the office. Such records shall show the amount for which each such transaction was effected, the name and amount of securities, the unit and aggregate purchase or sale price (if any), the trade date, and the name or other designation of the

person from whom purchased or received or to whom sold or delivered.

(3) The administrator or the administrator's designee may copy records made, kept, or maintained pursuant to subsections (1) and (2) of this section or require a broker-dealer registered in this state to copy those records and provide the copies to the administrator in a manner reasonable under the circumstances.

(4) The records required to be kept and maintained by subsection (2) of this section may be kept or maintained on computer, microform, or other electronic data storage system if the records can be immediately produced in document form.

(5) The administrator may, by order, upon written request and for good cause shown, waive any of the requirements of this rule.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-21B-050, filed 7/21/95, effective 8/21/95.]

WAC 460-21B-060 Dishonest or unethical business practices—Broker-dealers. The phrase "dishonest or unethical practices" as used in RCW 21.20.110(7) as applied to broker-dealers is hereby defined to include any of the following:

(1) Engaging in a pattern of unreasonable and unjustifiable delays in the delivery of securities purchased by any of its customers and/or in the payment upon request of free credit balances reflecting completed transactions of any of its customers;

(2) Inducing trading in a customer's account which is excessive in size or frequency in view of the financial resources and character of the account;

(3) Recommending to a customer to purchase, sell or exchange any security without reasonable grounds to believe that such transaction or recommendation is suitable for the customer based upon reasonable inquiry concerning the customer's investment objectives, financial situation and needs, and any other relevant information known by the broker-dealer;

(4) Executing a transaction on behalf of a customer without authorization to do so;

(5) Exercising any discretionary power in effecting a transaction for a customer's account without first obtaining written discretionary authority from the customer, unless the discretionary power relates solely to the time and/or price for the execution of orders;

(6) Executing any transaction in a margin account without securing from the customer a properly executed written margin agreement promptly after the initial transaction in the account;

(7) Failing to segregate customers' free securities or securities held in safekeeping;

(8) Hypothecating a customer's securities without having a lien thereon unless the broker-dealer secures from the customer a properly executed written consent promptly after the initial transaction, except as permitted by rules of the securities and exchange commission;

(9) Entering into a transaction with or for a customer at a price not reasonably related to the current market price of the security or receiving an unreasonable commission or profit;

(10) Failing to furnish to a customer purchasing securities in an offering, no later than the date of confirmation of the transaction, a final or preliminary prospectus, and if the latter, failing to furnish a final prospectus within a reasonable period after the effective date of the offering;

(11) Charging unreasonable and inequitable fees for services performed, including miscellaneous services such as collection of monies due for principal, dividends or interest, exchange or transfer of securities, appraisals, safekeeping, or custody of securities and other services related to its securities business;

(12) Offering to buy from or sell to any person any security at a stated price unless such broker-dealer is prepared to purchase or sell, as the case may be, at such price and under such conditions as are stated at the time of such offer to buy or sell;

(13) Representing that a security is being offered to a customer "at the market" or a price relevant to the market price unless such broker-dealer knows or has reasonable grounds to believe that a market for such security exists other than that made, created or controlled by such broker-dealer, or by any person for whom he/she is acting or with whom he/she is associated in such distribution, or any person controlled by, controlling or under common control with such broker-dealer;

(14) Effecting any transaction in, or inducing the purchase or sale of, any security by means of any manipulative, deceptive or fraudulent device, practice, plan, program, design or contrivance, which may include but not be limited to:

(a) Effecting any transaction in a security which involves no change in the beneficial ownership thereof;

(b) Entering an order or orders for the purchase or sale of any security with the knowledge that an order or orders of substantially the same size, at substantially the same price, for the sale of any such security, has been or will be entered by or for the same or different parties for the purpose of creating a false or misleading appearance of active trading in the security or a false or misleading appearance with respect to the market for the security; provided, however, nothing in this subsection shall prohibit a broker-dealer from entering bona fide agency cross transactions for its customer;

(c) Effecting, alone or with one or more other persons, a series of transactions in any security creating actual or apparent active trading in such security or raising or depressing the price of such security, for the purpose of inducing the purchase or sale of such security by others;

(15) Guaranteeing a customer against loss in any securities account of such customer carried by the broker-dealer or in any securities transaction effected by the broker-dealer with or for such customer;

(16) Publishing or circulating, or causing to be published or circulated, any notice, circular, advertisement, newspaper article, investment service, or communication of any kind which purports to report any transaction as a purchase or sale of any security unless such broker-dealer believes that such transaction was a bona fide purchase or sale of such security; or which purports to quote the bid price or asked price for any security, unless such broker-dealer believes that such quotation represents a bona fide bid for, or offer of, such security;

(17) Using any advertising or sales presentation in such a fashion as to be deceptive or misleading. An example of such practice would be a distribution of any nonfactual data, material or presentation based on conjecture, unfounded or unrealistic claims or assertions in any brochure, flyer, or display by words, pictures, graphs or otherwise designed to supplement, detract from, supersede or defeat the purpose or effect of any prospectus or disclosure;

(18) Failing to disclose that the broker-dealer is controlled by, controlling, affiliated with or under common control with the issuer of any security before entering into any contract with or for a customer for the purchase or sale of security, the existence of such control to such customer, and if such disclosure is not made in writing, it shall be supplemented by the giving or sending of written disclosure at or before the completion of the transaction;

(19) Failing to make bona fide public offering of all of the securities allotted to a broker-dealer for distribution, whether acquired as an underwriter, a selling group member or from a member participating in the distribution as an underwriter or selling group member;

(20) Failure or refusal to furnish a customer, upon reasonable request, information to which he is entitled, or to respond to a formal written request or complaint;

(21) In connection with the solicitation of a sale or purchase of an OTC non-NASDAQ security, failing to promptly provide the most current prospectus or the most recently filed periodic report filed under Section 13 of the Securities Exchange Act, when requested to do so by a customer;

(22) Marking any order ticket or confirmation as unsolicited when in fact the transaction is solicited;

(23) For any month in which activity has occurred in a customer's account, but in no event less than every three months, failing to provide each customer with a statement of account which with respect to all OTC non-NASDAQ equity securities in the account, contains a value for each such security based on the closing market bid on a date certain: *Provided*, That this subsection shall apply only if the firm has been a market maker in such security at any time during the month in which the monthly or quarterly statement is issued;

(24) Failing to comply with any applicable provision of the Rules of Fair Practice of the National Association of Securities Dealers or any applicable fair practice or ethical standard promulgated by the Securities and Exchange Commission or by a self-regulatory organization approved by the Securities and Exchange Commission; or

(25) Any acts or practices enumerated in WAC 460-21B-010.

The conduct set forth above is not inclusive. Engaging in other conduct such as forgery, embezzlement, nondisclosure, incomplete disclosure or misstatement of material facts, or manipulative or deceptive practices shall also be grounds for denial, suspension or revocation of registration.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-21B-060, filed 7/21/95, effective 8/21/95.]

WAC 460-21B-070 Supervision of securities salespersons. (1) In order to supervise its salespersons reasonably, a broker-dealer must designate a qualified person as

supervisor for each salesperson. For the purpose of this section, that person shall be referred to as the "designated supervisor" of the salesperson or salespersons he or she supervises. To be qualified, a designated supervisor must demonstrate competence by passing the examinations required by WAC 460-20B-040 to qualify as a broker-dealer.

(2) The administrator finds that a designated supervisor generally cannot reasonably supervise salespersons who conduct business at locations far from the principal place of business of the designated supervisor. A designated supervisor of salespersons (other than salespersons who are themselves designated supervisors) located in this state must maintain his or her principal place of business in this state or in a contiguous state, and that office may not, without the written permission of the administrator, be so distant from the principal place of business of any person for whose supervision the designated supervisor is responsible as to make it impractical for the designated supervisor to visit the premises at which the salesperson supervised works on at least a monthly basis.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-21B-070, filed 7/21/95, effective 8/21/95.]

WAC 460-21B-080 Written procedures. (1) In order to supervise its salespersons reasonably, a broker-dealer must establish, maintain and enforce written procedures to supervise the business in which it engages and to supervise the activities of its salespersons and its other employees. The written procedures shall include, but not be limited to, procedures concerning:

- (a) Review and approval of new accounts;
- (b) Periodic examination of customer accounts to detect and prevent irregularities or abuses;
- (c) Review of and response to customer complaints;
- (d) Review and endorsement of customer orders;
- (e) Review and approval of delegation of discretionary authority by a customer to a salesperson;
- (f) Review and approval of correspondence from salespersons;
- (g) Review of incoming correspondence;
- (h) Review and approval of advertising and sales literature to be used by salespersons;
- (i) Order execution;
- (j) Cashiering and operations functions including the handling of cash and securities;
- (k) Market making (if the broker-dealer is a market maker); and
- (l) Underwriting of public offerings and private placements (to the extent that the broker-dealer engages in those activities).

(2) A copy of the written procedures described in subsection (1) of this section shall be kept and maintained at every location in which supervisory activities are conducted on behalf of the broker-dealer.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-21B-080, filed 7/21/95, effective 8/21/95.]

Chapter 460-22B WAC SALESPERSONS OF BROKER-DEALERS

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WAC 460-22B-010 Application. The rules contained in this chapter apply to securities salespersons for broker-dealers other than mortgage paper broker-dealers.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-22B-010, filed 7/21/95, effective 8/21/95.]

WAC 460-22B-020 Cross-reference to other sections relating to securities salespersons. Securities salespersons of issuers are covered in chapter 460-23B WAC. Salespersons of mortgage paper broker-dealers are covered in chapter 460-33A WAC.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-22B-020, filed 7/21/95, effective 8/21/95.]

WAC 460-22B-030 Registration procedure. (1) Applications for registration of salespersons of broker-dealers that are members of a national securities association or national securities exchange must be submitted, together with the required fee, through the Central Registration Depository (CRD).

(2) Applications for registration of salespersons of broker-dealers not members of a national securities association or national securities exchange must be submitted to the securities division on Form U-4 together with the required fee and proof of passage of required examinations.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-22B-030, filed 7/21/95, effective 8/21/95.]

WAC 460-22B-040 Salesperson registration and examination. (1) Every applicant for registration as a securities salesperson of a broker-dealer shall pass the examinations specified below.

(a) For applicants seeking registration as salespersons of broker-dealers that are members of a national securities association or national securities exchange:

(i) The uniform securities agent state law examination (series 63); or the uniform combined state law examination (series 66); and

(ii) The appropriate qualifying examination administered by such national securities association.

(b) For all other applicants seeking registration as salespersons of broker-dealers:

(i) The uniform securities agent state law examination (series 63); or the uniform combined state law examination (series 66); and

(ii) The appropriate qualifying examination administered by the National Association of Securities Dealers for the activities in which the salesperson is to engage.

(2) Any individual out of the business of effecting transactions in securities for less than two years and who has previously passed the required examinations in subsection (1)(a) or (b) of this section or the Washington state securities examination shall not be required to retake the examination(s) to be eligible to be relicensed upon application.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-22B-040, filed 7/21/95, effective 8/21/95.]

WAC 460-22B-050 Expiration of salesperson license, renewal procedure, and delinquency fees. (1) A license issued pursuant to this section shall be effective until December 31 of the year of issuance at which time it shall be renewed or if not renewed shall be deemed delinquent. For any renewal application postmarked after the expiration date but received by the administrator by the following March 1, the licensee shall pay a delinquency fee of fifty dollars in addition to the renewal fee. No renewal applications will be accepted after that time.

(2) A salesperson registered with a broker-dealer that is a member of a national securities association or a national securities exchange shall make application for renewal using one of the following methods:

(a) Through the Central Registration Depository (CRD) prior to the CRD's closing date for renewals; or

(b) With the securities division after the closing date for renewals through the CRD.

(3) A salesperson registered with a broker-dealer that is not a member of a national securities association or a national securities exchange shall make application for renewal with the securities division.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-22B-050, filed 7/21/95, effective 8/21/95.]

WAC 460-22B-060 Duty to update application. A salesperson who has been issued a license under this chapter has a duty to update his or her application. If an event occurs that causes a salesperson's application to be inaccurate, the salesperson shall amend his or her application within thirty days of the occurrence of the event. The amendment shall be made as follows:

(1) For a salesperson of a broker-dealer that is a member of a national securities association or national securities exchange, through the Central Registration Depository; or

(2) For a salesperson of a broker-dealer that is not a member of a national securities association or national securities exchange, by filing an amended Form U-4 with the securities division.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-22B-060, filed 7/21/95, effective 8/21/95.]

WAC 460-22B-070 Dual representation and affiliation. (1) A person is dually registered for the purpose of this section if that person is simultaneously registered with the securities division, department of financial institutions with:

(a) More than one broker-dealer;

(b) One or more broker-dealers and one or more issuers;

(c) One or more broker-dealers and one or more investment advisers; as a securities salesperson, investment adviser salesperson, broker-dealer, or investment adviser. A person may be dually registered in this state if all broker-dealers, issuers, or investment advisers employing or engaging such person consent to such dual registration in writing in a form acceptable to the administrator.

(2) The consent for subsection (1) of this section shall contain the following provisions:

(a) The effective date of the dual employment or engagement with the respective broker-dealers, issuers, or investment advisers;

(b) Consent by each broker-dealer, issuer, or investment adviser employing or engaging such person to the employment or engagement of the person by all other broker-dealers, issuers, or investment advisers; and

(c) An agreement that each broker-dealer, issuer, or investment adviser employing or engaging such person will register the person with the securities division and pay the applicable registration fee.

(3) A separate application for registration or renewal shall be made by each broker-dealer, issuer, or investment adviser desiring to employ or engage the person. An executed copy of the consent required by subsection (1) of this section shall accompany the application. The application shall be filed with the administrator and shall contain such exhibits and information as may be required by the administrator, together with the fees required by RCW 21.20.340.

(4) A broker-dealer or investment adviser who employs or engages a securities salesperson or investment adviser salesperson and who consents to the dual registration of that securities salesperson or investment adviser salesperson shall supervise all securities activities of that salesperson relating to the broker-dealer or investment adviser.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-22B-070, filed 7/21/95, effective 8/21/95.]

WAC 460-22B-080 Receipt of both securities sales commission and investment adviser fees. (1) It shall constitute a violation of RCW 21.20.010 and 21.20.020 for any person to receive both a sales commission for the purchase or sale of any security and compensation for rendering investment advice concerning said security; provided, however, receipt of both a sales commission and advisory compensation shall not constitute such violation if either:

(a) Such person provides to each customer receiving advice a disclosure of conflict of interest on a form promulgated by the administrator to be given to the customer at least forty-eight hours before the customer agrees to have the person render the advice; or

(b) The administrator by rule or order waives the necessity of such disclosure on said form as not being necessary in the public interest for the protection of investors.

(2) For the purposes of this provision, the term "person" shall include all "affiliates" of such person as defined in WAC 460-10A-060.

(3) In lieu of giving disclosure forty-eight hours before the agreement, the customer may be given the disclosure

document simultaneous to the signing of the agreement so long as the customer is also given five days to cancel the agreement.

(4) A person charging a wrap fee to a customer who delivers a copy of Schedule H of Form ADV describing the wrap fee arrangement to that customer shall be deemed to have satisfied the disclosure requirement of subsection (1)(a) of this section as to the wrap fee arrangement.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-22B-080, filed 7/21/95, effective 8/21/95.]

WAC 460-22B-090 Dishonest and unethical business practices-salespersons. The phrase "dishonest or unethical practices" as used in RCW 21.20.110(7) as applied to salespersons, is hereby defined to include any of the following:

(1) Engaging in the practice of lending or borrowing money or securities from a customer, or acting as a custodian for money, securities or an executed stock power of a customer;

(2) Effecting securities transactions not recorded on the regular books or records of the broker-dealer which the agent represents, unless the transactions are authorized in writing by the broker-dealer prior to execution of the transaction;

(3) Establishing or maintaining an account containing fictitious information in order to execute transactions which would otherwise be prohibited;

(4) Sharing directly or indirectly in profits or losses in the account of any customer without the written authorization of the customer and the broker-dealer which the agent represents;

(5) Dividing or otherwise splitting the agent's commissions, profits or other compensation from the purchase or sale of securities with any person not also registered for the same broker-dealer, or for a broker-dealer under direct or indirect common control;

(6) Inducing trading in a customer's account which is excessive in size or frequency in view of the financial resources and character of the account;

(7) Recommending to a customer the purchase, sale or exchange of any security without reasonable grounds to believe that such transaction or recommendation is suitable for the customer based upon reasonable inquiry concerning the customer's investment objectives, financial situation and needs, and any other relevant information known by the broker-dealer;

(8) Executing a transaction on behalf of a customer without authorization to do so;

(9) Exercising any discretionary power in effecting a transaction for a customer's account without first obtaining written discretionary authority from the customer, unless the discretionary power relates solely to the time and/or price for the execution of orders;

(10) Executing any transaction in a margin account without securing from the customer a properly executed written margin agreement promptly after the initial transaction in the account;

(11) Entering into a transaction with or for a customer at a price not reasonably related to the current market price of the security or receiving an unreasonable commission or profit;

(12) Failing to furnish to a customer purchasing securities in an offering, no later than the date of confirmation of the transaction, a final or preliminary prospectus, and if the latter, failing to furnish a final prospectus within a reasonable period after the effective date of the offering;

(13) Effecting any transaction in, or inducing the purchase or sale of, any security by means of any manipulative, deceptive or fraudulent device, practice, plan, program, design or contrivance, which may include but not be limited to:

(a) Effecting any transaction in a security which involves no change in the beneficial ownership thereof;

(b) Entering an order or orders for the purchase or sale of any security with the knowledge that an order or orders of substantially the same size, at substantially the same time and substantially the same price, for the sale of any such security, has been or will be entered by or for the same or different parties for the purpose of creating a false or misleading appearance of active trading in the security or a false or misleading appearance with respect to the market for the security;

(c) Effecting, alone or with one or more other persons, a series of transactions in any security creating actual or apparent active trading in such security or raising or depressing the price of such security, for the purpose of inducing the purchase or sale of such security by others;

(14) Guaranteeing a customer against loss in any securities account for such customer carried by the broker-dealer or in any securities transaction effected by the broker-dealer with or for such customer;

(15) Publishing or circulating, or causing to be published or circulated, any notice, circular, advertisement, newspaper article, investment service, or communication of any kind which purports to report any transaction as a purchase or sale of any security unless such broker-dealer believes that such transaction was a bona fide purchase or sale of such security; or which purports to quote the bid price or asked price for any security, unless such broker-dealer believes that such quotation presents a bona fide bid for, or offer of, such security;

(16) Using any advertising or sales presentation in such a fashion as to be deceptive or misleading. An example of such practice would be a distribution of any nonfactual data, material or presentation based on conjecture, unfounded or unrealistic claims or assertions of any brochure, flyer, or display by words, pictures, graphs or otherwise designed to supplement, detract from, supersede or defeat the purpose or effect of any prospectus or disclosure;

(17) In connection with the solicitation of a sale or purchase of an OTC non-NASDAQ security, failing to promptly provide the most current prospectus or the most recently filed periodic report filed under Section 13 of the Securities Exchange Act, when requested to do so by a customer;

(18) Marking any order ticket or confirmation as unsolicited when in fact the transaction is solicited;

(19) Failing to comply with any applicable provision of the Rules of Fair Practice of the National Association of Securities Dealers or any applicable fair practice or ethical standard promulgated by the Securities and Exchange

Commission or by a self-regulatory organization approved by the Securities and Exchange Commission; or

(20) Any act or practice enumerated in WAC 460-21A-010.

The conduct set forth above is not inclusive. Engaging in other conduct such as a forgery, embezzlement, nondisclosure, incomplete disclosure or misstatement of material facts, or manipulative or deceptive practices shall also be grounds for denial, suspension or revocation of registration.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-22B-090, filed 7/21/95, effective 8/21/95.]

Chapter 460-23B WAC SALESPERSONS FOR ISSUERS

WAC

| | |
|-------------|---|
| 460-23B-010 | Application. |
| 460-23B-020 | Registration procedure. |
| 460-23B-030 | Salesperson examination requirements. |
| 460-23B-040 | Expiration of salesperson license, renewal procedure, and delinquency fees. |
| 460-23B-050 | Duty to update application. |
| 460-23B-060 | Exemption from registration for condominium salespersons. |

WAC 460-23B-010 Application. The rules contained in this chapter apply to the registration of securities salespersons for issuers.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-23B-010, filed 7/21/95, effective 8/21/95.]

WAC 460-23B-020 Registration procedure. Applications for registration of salespersons of issuers must be submitted to the securities administrator on Form U-4 together with the required fee and proof of passage of required examinations.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-23B-020, filed 7/21/95, effective 8/21/95.]

WAC 460-23B-030 Salesperson examination requirements. Every applicant for registration as a securities salesperson of an issuer shall pass the examinations specified below:

(1) For an officer or director of an issuer that is a corporation, or a general partner of an issuer that is a limited partnership, or a manager of an issuer that is a limited liability company seeking registration as a salesperson for an issuer of a single offering of the issuer who will receive no commissions or similar remuneration directly or indirectly in connection with the offer or sale of the issuer's securities, no examination is required;

(2) For an officer or director of the issuer seeking registration as a salesperson for an issuer of a single offering of the issuer, the uniform state law examination (series 63); or the uniform combined state law examination (series 66) is required;

(3) For all other salespersons of issuers:

(a) The uniform securities agent state law examination (series 63); or the uniform combined state law examination (series 66); and

(b) The appropriate qualifying examination administered by the National Association of Securities Dealers, Inc. for the activities in which the salesperson is to engage;

(4) Any individual out of the securities business of effecting transactions in securities for less than two years and who has previously passed the required examinations in subsection (2) or (3) of this section or the Washington state securities examination shall not be required to retake the examination(s) to be eligible to be relicensed upon application.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-23B-030, filed 7/21/95, effective 8/21/95.]

WAC 460-23B-040 Expiration of salesperson license, renewal procedure, and delinquency fees. A license issued to a salesperson representing an issuer shall expire on the expiration date of the securities registration of the issuer. The license shall be renewed, or if not renewed, shall be deemed delinquent at the expiration of the issuer's securities registration. For any renewal application postmarked after the expiration date but received by the administrator within two months of the expiration date, the licensee shall pay a delinquency fee of fifty dollars in addition to the renewal fee. No renewal applications will be accepted after that time.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-23B-040, filed 7/21/95, effective 8/21/95.]

WAC 460-23B-050 Duty to update application. A salesperson who has been issued a license has a duty to update his or her application. If an event occurs that causes a salesperson's application to be inaccurate, the salesperson shall file an amended Form U-4 with the Securities Division within thirty days of the occurrence of the event.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-23B-050, filed 7/21/95, effective 8/21/95.]

WAC 460-23B-060 Exemption from registration for condominium salespersons. An exemption from registration as a broker-dealer or salesperson will be granted to those engaged in exclusively selling condominium securities provided:

(1) That the person claiming the exemption give written notice of their intention to claim the exemption five working days prior to exercising the exemption; and

(2) They submit their Washington real estate license number to the division.

If for any reason the person claiming this exemption should have their Washington real estate license cancelled, suspended or revoked then this exemption will not apply to any further transactions.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-23B-060, filed 7/21/95, effective 8/21/95.]

**Chapter 460-24A WAC
INVESTMENT ADVISERS**

WAC

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| 460-24A-046 | Dual representation and affiliation. |
| 460-24A-050 | Investment adviser and investment adviser salesperson (representative) registration and examinations. |
| 460-24A-055 | Effective date of license. |

WAC 460-24A-046 Dual representation and affiliation. (1) A person is dually registered for the purpose of this section if that person is simultaneously registered with the securities division, department of financial institutions with:

- (a) More than one investment adviser;
- (b) One or more broker-dealers and one or more investment advisers; as a securities salesperson, investment adviser salesperson, broker-dealer, or investment adviser;
- (c) One or more investment advisers and one or more issuers, as an investment adviser, investment adviser salesperson, or securities salesperson.

A person may be dually registered in this state if all broker-dealers, issuers, or investment advisers employing or engaging such person consent to such dual registration in writing in a form acceptable to the administrator.

(2) The consent for subsection (1) of this section shall contain the following provisions:

- (a) The effective date of the dual employment or engagement with the respective broker-dealers, issuers, or investment advisers;
- (b) Consent by each broker-dealer, issuer, or investment adviser employing or engaging such person to the employment or engagement of the person by all other broker-dealers, issuers, or investment advisers; and
- (c) An agreement that each broker-dealer, issuer, or investment adviser employing or engaging such person will register the person with the securities division and pay the applicable registration fee.

(3) A separate application for registration or renewal shall be made by each broker-dealer, issuer, or investment adviser desiring to employ or engage the person. An executed copy of the consent required by subsection (1) of this section shall accompany the application. The application shall be filed with the administrator and shall contain such exhibits and information as may be required by the administrator, together with the fees required by RCW 21.20.340.

(4) A broker-dealer or investment adviser who employs or engages a securities salesperson or investment adviser salesperson and who consents to the dual registration of that securities salesperson or investment adviser salesperson shall supervise all securities activities of that salesperson relating to the broker-dealer or investment adviser.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-24A-046, filed 7/21/95, effective 8/21/95.]

WAC 460-24A-050 Investment adviser and investment adviser salesperson (representative) registration and examinations. (1) In order for an applicant to become licensed in this state as an investment adviser the individual applicant, an officer of the applicant if the applicant is a corporation, or a general partner of the applicant if the applicant is a partnership, shall:

(a) Pass the uniform investment adviser law examination (series 65); or the uniform combined state law examination (series 66); and

(b)(i) Pass the NASD general securities principal examination (series 24); or

(ii) Hold one of the following designations:

- (A) Chartered investment counselor;
- (B) Chartered financial analyst;
- (C) Certified financial planner;
- (D) Chartered financial consultant;
- (E) Accredited personal financial specialist; and

(c) File a completed Form ADV.

(2) If the individual officer who takes the examination on behalf of a corporate applicant or the individual general partner who takes the examination on behalf of a partnership ceases to be an officer or general partner, then the investment adviser must notify the securities division of a substitute officer or general partner who has passed the examinations required in subsection (1) of this section within two months in order to maintain the investment adviser license.

(3) In order to become licensed in this state as an investment adviser salesperson (representative), an applicant shall:

(a) Pass the uniform investment adviser law examination (series 65); or the uniform combined state law examination (series 66); and

(b)(i) Pass the NASD general securities representative examination (series 7); or

(ii) Pass the general securities representative examination (series 2); or

(iii) Hold one of the following designations:

- (A) Chartered investment counselor;
- (B) Chartered financial analyst;
- (C) Certified financial planner;
- (D) Chartered financial consultant;
- (E) Accredited personal financial specialist; and

(c) File a completed Form U-4.

(4) The administrator may waive the testing requirements in subsection (3) of this section for an investment adviser representative whose activities will be limited to supervising the firm's investment advisory activities in Washington, provided that the applicant has been employed for five years preceding the filing of the application in a supervisory capacity, or as a portfolio manager, by an investment adviser registered under the Investment Advisers Act of 1940 for at least five years and the investment adviser has been engaged in rendering "investment supervisory services" as defined in section 202 (a)(13) of the Investment Advisers Act of 1940.

(5) Any individual who has been retained or employed by an investment adviser to solicit clients or offer the services of the investment adviser or manage the accounts of said clients any time during the two years prior to application and who has previously passed the required examination in subsection (1) or (3) of this section or the Washington state investment advisers examination shall not be required to retake the examination(s) to be eligible to be relicensed as an investment adviser salesperson (representative) upon application.

[Statutory Authority: RCW 21.20.450 and 21.20.070. 95-16-026 and 95-17-002, § 460-24A-050, filed 7/21/95 and 8/2/95, effective 8/21/95 and 9/2/95. Statutory Authority: RCW 21.20.070 and 21.20.450. 90-05-003,

§ 460-24A-050, filed 2/9/90, effective 3/12/90; 89-17-077 (Order SDO-123-89), § 460-24A-050, filed 8/17/89, effective 9/17/89. Statutory Authority: RCW 21.20.450. 85-23-063 (Order SDO-220-85), § 460-24A-050, filed 11/19/85; 85-16-068 (Order SDO-128-85), § 460-24A-050, filed 8/1/85. Statutory Authority: RCW 21.20.450 and 21.20.040. 83-03-024 (Order SDO-6-83), § 460-24A-050, filed 1/13/83. Statutory Authority: RCW 21.20.450. 82-02-033 (Order SDO-149-81), § 460-24A-050, filed 12/31/81; Order SD-131-77, § 460-24A-050, filed 11/23/77; Order 304, § 460-24A-050, filed 2/28/75, effective 4/1/75. Formerly chapter 460-24 WAC.]

WAC 460-24A-055 Effective date of license. All investment adviser and investment adviser salesperson licenses shall be effective until December 31 of the year of issuance at which time the license shall be renewed, or if not renewed, shall be deemed delinquent. For any renewal application postmarked after the expiration date but received by the director on or before March 1, the licensee shall pay a delinquency fee in addition to the renewal fee. No renewal applications will be accepted after that time. The delinquency fee for investment advisers shall be one hundred dollars. The delinquency fee for investment adviser salespersons shall be fifty dollars.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-24A-055, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.080, 21.20.340 and 21.20.450. 88-17-011 (Order SDO-047-88), § 460-24A-055, filed 8/8/88.]

Chapter 460-33A WAC

REGULATIONS CONCERNING SECURITIES INVOLVING MORTGAGES, TRUST DEEDS OR PROPERTY SALES CONTRACTS

WAC

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| 460-33A-080 | Registration and examination of mortgage broker-dealers. |
| 460-33A-081 | Expiration of mortgage broker-dealer registration, renewal procedure, delinquency fees. |
| 460-33A-085 | Registration and examination of mortgage securities salespersons. |
| 460-33A-086 | Expiration of mortgage securities salesperson registration, renewal procedure, and delinquency fees. |

WAC 460-33A-080 Registration and examination of mortgage broker-dealers. (1) Every person acting as a mortgage broker-dealer, unless otherwise exempt, must first obtain a broker-dealer's license under the provisions of this chapter.

(2) Every applicant under this section shall provide the securities administrator proof of compliance with WAC 460-33A-040.

(3) Every applicant for registration as a mortgage broker-dealer shall file a completed mortgage broker-dealer application form, together with the applicable filing fee.

(4)(a) Every applicant under this section shall submit to the securities administrator proof that the individual applicant, an officer if the applicant is a corporation, a manager if the applicant is a limited liability company, or a general partner if the applicant is a partnership has passed the uniform securities agent law examination (series 63) within the last two years.

(b) Any individual out of the business of effecting transactions in securities for less than two years and who has previously passed the required examination in (a) of this subsection or the Washington state securities examination

shall not be required to retake the examination in order for the mortgage broker-dealer to be eligible for registration under this chapter.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-33A-080, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.450. 89-17-078 (Order SDO-124-89), § 460-33A-080, filed 8/17/89, effective 9/17/89. Statutory Authority: RCW 21.20.060 and 21.20.450. 86-21-107 (Order SDO-140-86), § 460-33A-080, filed 10/20/86. Statutory Authority: RCW 21.20.450. 83-03-025 (Order SDO-7-83), § 460-33A-080, filed 1/13/83.]

WAC 460-33A-081 Expiration of mortgage broker-dealer registration, renewal procedure, delinquency fees. A license issued to a mortgage broker-dealer shall expire on the expiration date of the securities registration of the mortgage paper securities offered by the mortgage broker-dealer. The license shall be renewed, or if not renewed, shall be deemed delinquent at the expiration of the issuer's securities registration. For any renewal application postmarked after the expiration date but received by the administrator within two months of the expiration date, the licensee shall pay a delinquency fee of one hundred dollars in addition to the renewal fee. No renewal applications will be accepted after that time.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-33A-081, filed 7/21/95, effective 8/21/95.]

WAC 460-33A-085 Registration and examination of mortgage securities salespersons. (1) Every person acting as a mortgage securities salesperson, unless otherwise exempt, must first obtain a salesperson's license under the provisions of this chapter and be employed by a broker-dealer or mortgage broker-dealer.

(2) Every applicant under this section shall file a completed Form U-4, together with the applicable filing fee.

(3) Every applicant under this section shall submit proof of passage of the uniform securities agent law examination (series 63) within the last two years.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-33A-085, filed 7/21/95, effective 8/21/95. Statutory Authority: RCW 21.20.450. 89-17-078 (Order SDO-124-89), § 460-33A-085, filed 8/17/89, effective 9/17/89. Statutory Authority: RCW 21.20.070, 21.20.080 and 21.20.450. 86-21-107 (Order SDO-140-86), § 460-33A-085, filed 10/20/86. Statutory Authority: RCW 21.20.450. 83-03-025 (Order SDO-7-83), § 460-33A-085, filed 1/13/83.]

WAC 460-33A-086 Expiration of mortgage securities salesperson registration, renewal procedure, and delinquency fees. A license issued to a mortgage securities salesperson shall expire on the expiration date of the securities registration of the mortgage paper securities offered by the mortgage broker-dealer. The license shall be renewed, or if not renewed, shall be deemed delinquent at the expiration of the issuer's securities registration. For any renewal application postmarked after the expiration date but received by the administrator within two months of the expiration date, the licensee shall pay a delinquency fee of fifty dollars in addition to the renewal fee. No renewal applications will be accepted after that time.

[Statutory Authority: RCW 21.20.070 and 21.20.450. 95-16-026, § 460-33A-086, filed 7/21/95, effective 8/21/95.]

Chapter 460-46A WAC
CORPORATE LIMITED OFFERING EXEMPTION

WAC
 460-46A-050 Promotional shares.

WAC 460-46A-050 Promotional shares. The promotional shares rules set forth in WAC 460-16A-110 and adopted in WAC 460-16A-205 (1)(p) shall apply except that promotional shares need be escrowed pursuant to WAC 460-16A-104 only to the extent that such shares exceed sixty percent of the shares to be outstanding upon the completion of the offering.

[Statutory Authority: RCW 21.20.450, 95-17-068, § 460-46A-050, filed 8/16/95, effective 9/16/95. Statutory Authority: RCW 21.20.320(9) and 21.20.450, 91-04-011, § 460-46A-050, filed 1/25/91, effective 2/25/91; 89-07-042 (Order SDO-035-89), § 460-46A-050, filed 3/13/89; 82-20-068 (Order SDO-116-82), § 460-46A-050, filed 10/5/82.]

Chapter 460-52A WAC
NONPROFIT ORGANIZATIONS

WAC
 460-52A-010 Definitions.

WAC 460-52A-010 Definitions. Nonprofit organization means any person organized and operated as a nonprofit organization as defined in RCW 84.36.800(4) exclusively for religious, educational, fraternal, or charitable purposes and which nonprofit organization also possesses a current tax exempt status under the laws of the United States.

[Statutory Authority: RCW 21.20.450, 95-12-003, § 460-52A-010, filed 5/24/95, effective 6/24/95; Order SD-131-77, § 460-52A-010, filed 11/23/77; Order 344, § 460-52A-010, filed 10/24/75.]

Chapter 460-80 WAC
FRANCHISE REGISTRATION

WAC
 460-80-315 Washington uniform franchise offering circular.

WAC 460-80-315 Washington uniform franchise offering circular. To implement the disclosure requirements of RCW 19.100.030 (4)(a) and 19.100.040, the director adopts the Uniform Franchise Offering Circular (UFOC) as amended by the North American Securities Administrators Association (NASAA) on April 25, 1993.

[Statutory Authority: RCW 19.100.250, 95-08-015, § 460-80-315, filed 3/24/95, effective 4/24/95; 92-02-054, § 460-80-315, filed 12/30/91, effective 1/30/92; 88-01-060 (Order SDO 112B-87), § 460-80-315, filed 12/17/87. Statutory Authority: RCW 19.100.040 (4), (7), and (20), and 19.100.250, 80-04-036 (Order SDO-38-80), § 460-80-315, filed 3/19/80.]

Title 463 WAC
ENERGY FACILITY SITE
EVALUATION COUNCIL
 (Formerly: Thermal Power Plant Evaluation Council)

Chapters
463-39 General and operating permit regulations for air pollution sources.

Chapter 463-39 WAC
GENERAL AND OPERATING PERMIT
REGULATIONS FOR AIR POLLUTION SOURCES

WAC

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| 463-39-005 | Adoption by reference. |
| 463-39-020 | Applicability. |
| 463-39-030 | Additional definitions. |
| 463-39-090 | Permit application form. |
| 463-39-095 | Permit issuance. |
| 463-39-105 | Fees. |
| 463-39-120 | Monitoring and special report. |

WAC 463-39-005 Adoption by reference. (1) The energy facility site evaluation council adopts the following sections or subsections of chapter 173-400 WAC by reference.

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| WAC 173-400-030: | Definitions. |
| WAC 173-400-040: | General standards for maximum emissions. |
| WAC 173-400-050: | Emission standards for combustion and incineration units. |
| WAC 173-400-060: | Emission standards for general process units. |
| WAC 173-400-075: | Emission standards for sources emitting hazardous air pollutants. |
| WAC 173-400-081: | Startup and shutdown. |
| WAC 173-400-091: | Voluntary limits on emissions. |
| WAC 173-400-105: | Records, monitoring, and reporting. |
| WAC 173-400-107: | Excess emissions. |
| WAC 173-400-110: | New source review (NSR). |
| WAC 173-400-112: | Requirements for new sources in nonattainment areas. |
| WAC 173-400-113: | Requirements for new sources in attainment or unclassifiable areas. |
| WAC 173-400-114: | Requirements for replacement or substantial alteration of emission control technology at an existing stationary source. |
| WAC 173-400-120: | Bubble rules. |
| WAC 173-400-131: | Issuance of emission reduction credits. |
| WAC 173-400-136: | Use of emission reduction credits. |