451.2605.new Forms; orders; rules; financial statement; interpretative opinions; conduct of hearing.

Sec. 605. (1) The administrator may do any of the following:
   (a) Issue forms and orders and, after notice and comment, may adopt and amend rules necessary or appropriate to carry out this act, and may repeal rules, including rules and forms governing registration statements, applications, notice filings, reports, and other records.
   (b) By rule, define terms, whether or not used in this act, if the definitions are not inconsistent with this act.
   (c) By rule, classify securities, persons, and transactions and adopt different requirements for different classes.

   (2) A rule or form shall not be adopted or amended or an order issued or amended under this act unless the administrator finds that the rule, form, order, or amendment is necessary or appropriate in the public interest or for the protection of investors and is consistent with the purposes intended by this act. In adopting, amending, and repealing rules and forms, section 608 applies in order to achieve uniformity among the states and coordination with federal laws in the form and content of registration statements, applications, reports, and other records, including in the adoption of uniform rules, forms, and procedures.

   (3) Subject to section 15(h) of the securities exchange act of 1934, 15 USC 78o, and section 222 of the investment advisers act of 1940, 15 USC 80b-18a, the administrator may require that a financial statement filed under this act be prepared in accordance with generally accepted accounting principles in the United States and comply with other requirements specified by rule or order under this act. A rule or order under this act may establish any of the following:
       (a) Subject to section 15(h) of the securities exchange act of 1934, 15 USC 78o, and section 222 of the investment advisers act of 1940, 15 USC 80b-18a, the form and content of financial statements required under this act.
       (b) Whether unconsolidated financial statements must be filed.
       (c) Whether required financial statements must be audited by an independent certified public accountant.

   (4) The administrator may provide interpretative opinions or issue determinations that the administrator will not institute a proceeding or an action under this act against a specified person for engaging in a specified act, practice, or course of business if the determination is consistent with this act. A rule or order under this act may charge a reasonable fee for interpretative opinions or determinations that the administrator will not institute an action or a proceeding under this act.

   (5) A civil or administrative fine under this act shall not be imposed and liability does not arise for conduct that is engaged in or omitted in good faith conformity with a rule, form, or order of the administrator under this act.

   (6) A hearing in an administrative proceeding under this act shall be conducted in public unless the administrator for good cause consistent with the purposes intended by this act determines that the hearing not be public.