

THE CALIFORNIA CORPORATIONS COMMISSIONER HEREBY ADOPTS
THE FOLLOWING CHANGES IN THE REGULATIONS UNDER THE
CORPORATE SECURITIES LAW OF 1968
AS SET FORTH IN CHAPTER 3, TITLE 10,
CALIFORNIA CODE OF REGULATIONS
EFFECTIVE: OCTOBER 11, 2003

1. Add Article 6. Administrative Penalties, Section 250.70 to Chapter 3.

Commissioner of Corporations, Subchapter 1. General Provisions, to read:

Article 6. Administrative Penalties

250.70. Administrative Penalties.

(a) In determining the amount of any administrative penalty levied or assessed against any person subject to Part 3, Division 1, Title 4 of the Corporations Code for each violation of any statute, rule, or order, the Commissioner may consider a variety of factors including, but not limited to, the following:

(1) The nature and seriousness of the violations including actual or potential harm to the public or consumer.

(2) The number and persistence of violations and the length of time over which they occurred.

(3) The person's history of violations or complaints with the Department, other agencies or regulators.

(4) Whether the person's conduct was negligent, willful, or knowing, and the extent to which it was negligent, willful, or knowing.

(5) The person's financial condition including net worth and revenue.

(6) The nature and extent to which the person cooperated with the Department's investigation.

(7) Whether the person aggravated or mitigated any injury or damage caused by the violations.

(8) The nature and extent to which the person has taken corrective action to ensure that violations will not reoccur.

Note: Authority cited: Section 25610, Corporations Code. Reference: Section 25252, Corporations Code.

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