**Section 130.540 Procedure with Respect to Abandoning Registration Statements, Applications for Trading Authorizations and Post-Effective Amendments**

a) When an application for registration, authorization to trade or a post-effective amendment to such an application has been on file with the Secretary of State for a period of nine months and has not become effective, the Secretary of State may, in his or her discretion, proceed in the following manner to determine whether the application for registration or authorization to trade or amendment has been abandoned by the applicant. If the application for registration or authorization to trade has been amended, other than for the purpose of delaying the effective date thereof, or if the post-effective amendment has been amended, the nine-month period shall be computed from the date of the latest such amendment.

b) A notice will be sent to the applicant named in the application for registration or authorization to trade, by certified mail, return receipt requested, addressed to the most recent addresses for the applicant reflected in the application for registration or authorization to trade. The notice will inform the applicant that the application for registration or authorization to trade or amendment is out of date and must be either amended to comply with the applicable requirements of the Act or be withdrawn within 30 days after the date of notice or an Order of Abandonment shall be entered.

c) If the applicant fails to respond to such notice by filing a substantive amendment or withdrawing the application for registration or authorization to trade, the Secretary of State may, where consistent with the public interest and the protection of investors, enter an order declaring the application for registration or authorization to trade or amendment thereto abandoned.

d) When such an order is entered by the Secretary of State:

1) the examination fee or filing fee paid upon the filing of the application for registration or the filing fee paid upon the filing of the application for an authorization to trade will not be returned;

2) all papers comprising the application for registration or authorization to trade or amendment, with the exception of the application form, the most current form of the registration statement filed under the Federal 1933 Act or the offering document and correspondence, will be removed from the files of the Secretary of State; and

3) the application form will be plainly marked in the following manner: "Declared abandoned by order dated ."

e) The applicant may request an administrative hearing in writing within 15 days of receipt of the Order of Abandonment. Such request for hearing before the Securities Director, or his or her designee, shall set forth the grounds upon which applicant seeks a hearing.

(Source: Amended at 20 Ill. Reg. 14185, effective October 21, 1996)