

including telephonic notification of the general subject matter, time, and place of the hearing.

*(b) Hearing: Before Whom Held.*

Except as provided in paragraph (d) of this rule, hearings on an application to suspend a registration pursuant to Rule 520 shall be held before the Commission.

*(c) Presiding Officer: Designation.* The Chairman shall preside or designate a Commissioner to preside at the hearing. If the Chairman is absent or unavailable at the time of hearing and no other Commissioner has been designated to preside, the duty officer on the day the hearing begins shall preside or designate another Commissioner to preside.

*(d) Procedure at Hearing.* (1) The presiding officer shall have all those powers of a hearing officer set forth in Rule 111 and shall rule on the admissibility of evidence and other procedural matters, including, but not limited to: whether oral testimony will be heard; the time allowed each party for the submission of evidence or argument; and whether post-hearing submission of briefs, proposed findings of fact and conclusions of law will be permitted and if so, the procedures for submission; provided, however, that the person presiding may consult with other Commissioners participating in the hearing on these or any other question of procedure.

(2) Each Commissioner present at the hearing shall be afforded a reasonable opportunity to ask questions of witnesses, if any, or counsel.

(3) A party or witness may participate by telephone. Alternative means of remote access, including a video link, shall be permitted in the Commission's discretion. Factors the Commission may consider in determining whether to permit alternative means of remote access include, but are not limited to, whether allowing an alternative means of access will delay the hearing, whether the alternative means is reliable, and whether the party proposing its use has made arrangements to pay for its cost.

(4) After a hearing has begun, the Commission may, on its own motion or the motion of a party, assign a hearing officer to preside at the taking of oral testimony or other evidence and to certify the record of such testimony or other evidence to the Commission within a fixed period of time. No recommended or initial decision shall be made.

Rule 522. Suspension of Registration of Brokers, Dealers, or other Exchange Act-Registered Entities: Issuance and Review of Order

*(a) Basis for Issuance.* An order suspending a registration, pending final determination as to whether the registration shall be revoked shall be issued only if the Commission finds that the suspension is necessary or appropriate in the public interest or for the protection of investors.

*(b) Content, Scope and Form of Order.* Each order suspending a registration shall:

(1) describe the basis for its issuance, including the alleged or threatened violations and the harm that is likely to result without the issuance of an order;

(2) describe in reasonable detail, and not by reference to the order instituting proceedings or any other document, the act or acts the respondent is to take or refrain from taking; and

(3) be indorsed with the date and hour of issuance.

*(c) Effective Upon Service.* An order suspending a registration is effective upon service upon the respondent.

*(d) Service: How Made.* Service of an order suspending a registration shall be made pursuant to Rule 141(a). The person who serves the order shall promptly file a declaration of service identifying the person served, the method of service, the date of service, the address to which service was made and the person who made service; provided, however, failure to file such a declaration shall have no effect on the validity of the service.

*(e) Commission Review.* At any time after the respondent has been served with an order suspending a registration, the respondent may apply to the Commission or the hearing officer to have the order set aside, limited, or suspended. The application shall set forth with specificity the facts that support the request.

*Comment (b):* When an order suspending a registration is issued, there may be trades in process or other commitments which the respondent is obligated to meet as well as other ongoing activities which would have to be addressed to permit an orderly cessation of business. The Rule, therefore, requires a description, in reasonable detail of the act or acts the respondent is to take or refrain from taking. To protect investors or the public, the order may provide that a suspension will be effective in stages, or only after a period of time.

Rule 523. [Reserved]

Rule 524. Suspension of Registrations: Duration

Unless set aside, limited or suspended by order of the Commission, a court of competent jurisdiction, or a hearing officer acting pursuant to Rule 531, an order suspending a registration shall remain effective and enforceable until the earlier of:

(a) the completion of proceedings to determine whether the registration shall be permanently revoked; or

(b) 180 days, or such longer time as consented to by the respondent, after issuance of a briefing schedule order pursuant to Rule 540(b), if an initial decision whether the registration shall be permanently revoked is appealed.

Rule 530. Initial Decision on Permanent Order: Timing for Submitting Proposed Findings and Preparation of Decision

Unless otherwise ordered by the Commission or hearing officer, if a temporary cease-and-desist order or suspension of registration order is in effect, the following time limits shall apply to preparation of an initial decision as to whether such order should be made permanent:

(a) proposed findings and conclusions and briefs in support thereof shall be filed 30 days after the close of the hearing;

(b) the record in the proceedings shall be served by the Secretary upon the hearing officer three days after the date for the filing of the last brief called for by the hearing officer; and

(c) the initial decision shall be filed with the Secretary at the earliest possible time, but in no event more than 30 days after service of the record, unless the hearing officer, by order, shall extend the time for good cause shown for a period not to exceed 30 days.

Rule 531. Initial Decision on Permanent Order: Effect on Temporary Order

*(a) Specification of Permanent Sanction.* If, at the time an initial decision is issued, a temporary sanction is in effect as to any respondent, the initial decision shall specify:

(1) which terms or conditions of a temporary cease-and-desist order, if any, shall become permanent; and

(2) whether a temporary suspension of a respondent's registration, if any, shall be made a permanent revocation of registration.

*(b) Modification of Temporary Order.* If any temporary sanction shall not become permanent under the terms of the initial decision, the hearing officer shall issue a separate order setting aside,