

loses the licensed member or officer and its license will lapse under the provisions of 19 U.S.C. 1641(b)(5) before the next scheduled examination, the Commissioner may authorize a special examination for an applicant who will serve as the licensed member or officer. He may also authorize a special examination for one who will be authorized to continue the business of an individual broker. A special examination may also be authorized when a licensed brokerage firm loses its qualifying individual exercising responsible supervision and control over a district office and that office's permit will lapse before the next scheduled examination. Application and a statement of the reasons for the necessity of a special examination shall be filed with the port director in accordance with § 111.12.

(d) *Failure to appear for examination.* If the applicant fails to appear for a scheduled examination without notification in advance or explanation of the circumstances which made it impossible or impracticable to give such notification, the port director shall notify him that the application is denied because of failure to appear for examination to establish his qualifications for a license.

(e) *Failure to pass examination.* If the applicant does not obtain a grade of at least 75 percent, the Commissioner will notify him and the port director that the application for a license is denied because of failure to pass the examination.

[T.D. 70-134, 35 FR 9254, June 13, 1970, as amended by T.D. 76-329, 41 FR 53001, Dec. 3, 1976; T.D. 86-161, 51 FR 30341, Aug. 26, 1986; T.D. 95-77, 60 FR 50019, Sept. 27, 1995; T.D. 99-27, 64 FR 13675, Mar. 22, 1999]

#### § 111.14 Investigation of the applicant.

(a) *Individual license.* If the applicant passes the examination, the port director shall refer the application to the special agent in charge for an investigation and report.

(b) *Partnership, association, or corporation license.* The district director shall immediately refer an initial application for a partnership, association, or corporation license to the special agent in charge for investigation and report.

(c) *Scope of investigation.* The investigation shall ascertain facts relevant

to the question whether the applicant is qualified and shall cover, but need not be limited to:

(1) The accuracy of the statements made in the application;

(2) The business integrity of the applicant; and

(3) When the applicant is an individual (including a member of a partnership or an officer of an association or corporation), the character and reputation of the applicant.

(d) *Report and return of the application.* The special agent in charge shall return the application with his report and recommendation to the district director who requested the investigation. The district director shall forward the originals of the application and the agent's report to the Commissioner. The district director shall also submit his recommendation for action on the application.

(e) *Additional investigation or examination.* The Commissioner may require further investigation to be conducted if additional facts are deemed necessary to pass upon the application. The Commissioner may also require the applicant (or in the case of a partnership, association, or corporation, one or more of its members or officers) to appear in person before him or before one or more representatives of the Commissioner for the purpose of undergoing additional written or oral examination into the applicant's qualifications for a license.

[T.D. 70-134, 35 FR 9254, June 13, 1970, as amended by T.D. 82-181, 47 FR 42727, Sept. 29, 1982]

#### § 111.15 Issuance of license.

If the Commissioner finds that the applicant is qualified, he will issue a license. A license for an individual who is a member of a partnership or an officer of an association or corporation will be issued in the name of the individual licensee and not in his capacity as a member or officer of the organization with which he is connected. The license shall be forwarded to the port director, who shall deliver it to the licensee. The port director shall maintain an alphabetical list of brokers licensed at his port which list shall be available to the public.