

CHAPTER 533

(House Bill 1474)

AN ACT concerning

Securities - Definitions, Registrations, Exemptions,
Enforcement, and Penalties

FOR the purpose of amending the definition of "agent" to exclude persons effecting transactions in certain exempt securities; permitting the Securities Commissioner to require additional information of a broker-dealer or agent applicant; providing procedures for registration of successor broker-dealers and their agents; amending the grounds for denial, suspension, or revocation of a broker-dealer's or agent's application; clarifying that the Securities Commissioner may waive the examination requirement for a person or class of persons; expanding the method by which certain issuers may notify the Securities Commissioner of federal securities registration effectiveness; permitting the Securities Commissioner to waive or modify certain registration requirements under certain circumstances; establishing one-year effectiveness for registration statements unless extended by the Securities Commissioner; permitting registration of an indefinite amount of securities for certain issuers and establishing procedures for maintaining such registration; amending the exemption from registration for the securities of certain not-for-profit issuers; providing certain exemptions from registration if certain conditions are met; clarifying the burden of proof in proceedings under Title 11; clarifying the Securities Commissioner's authority to issue summary cease and desist orders; providing for other actions that the Securities Commissioner may take against violators of Title 11; expanding the remedies the Securities Commissioner may seek; increasing the fine that may be imposed upon conviction of violation of certain provisions of Title 11 or certain rules or orders under it; increasing certain penalties relating to the registration of broker-dealers and agents; expanding the entities to which evidence concerning violations of this title or any rule or order under it may be referred to include the Attorney General; making certain technical corrections; and generally relating to the regulation of securities in the State.

BY repealing and reenacting, with amendments,

Article - Corporations and Associations