

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001
4

A Bill

Act 468 of 2001
SENATE BILL 432

5 By: Senator Webb
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For An Act To Be Entitled

9 AN ACT TO AMEND VARIOUS SECTIONS OF THE
10 ARKANSAS SECURITIES ACT; AND FOR OTHER PURPOSES.
11

Subtitle

12 AN ACT TO AMEND VARIOUS SECTIONS OF THE
13 ARKANSAS SECURITIES ACT.
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 SECTION 1. Arkansas Code 23-42-102(9), concerning definitions under the
20 securities law, is amended to read as follows:

21 (9) "Issuer" means every person who issues or proposes to issue any
22 security, except that:

23 (A) With respect to certificates of deposit, voting-trust
24 certificates, or collateral-trust certificates, or with respect to
25 certificates of interest or shares in an unincorporated investment trust not
26 having a board of directors or persons performing similar functions or of the
27 fixed, restricted management, or unit type, the term "issuer" means the
28 persons performing the acts and assuming the duties of depositor or manager
29 pursuant to the provisions of the trust or other agreement or instrument under
30 which the securities are issued;

31 (B) In the case of an unincorporated association which provides
32 by its articles for limited liability of any or all of its members, or in the
33 case of a trust, committee, or other legal entity, the trustees or members
34 thereof shall not be individually liable as issuers of any security issued by
35 the association, trust, committee, or other legal entity;

36 (C) With respect to equipment-trust certificates or like

1 securities, the term "issuer" means the person by whom the equipment or
2 property is, or is to be, used; ~~and~~

3 (D) With respect to fractional undivided interests in oil, gas,
4 or other mineral rights, the term "issuer" means the owner of the right or of
5 any whole or fractional interest in the right who creates fractional interests
6 therein for the purpose of the offering; and

7 (E) With respect to viatical settlement contracts, the term
8 "issuer" means, in the case of a fractional or pooled interest in viatical
9 settlement contracts, the person who creates, for the purpose of sale, the
10 fractional or pooled interest, and in the case of a viatical settlement
11 contract that is not fractionalized or pooled, the person effecting the
12 transaction with the investor in such a contract, but does not include a
13 broker-dealer or agent of a broker-dealer;

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15 SECTION 2. Arkansas Code 23-42-102(15), concerning definitions under
16 the securities law, is amended to read as follows:

17 (15)(A) "Security" means any:

- 18 (i) Note;
- 19 (ii) Stock;
- 20 (iii) Treasury stock;
- 21 (iv) Bond;
- 22 (v) Debenture;
- 23 (vi) Evidence of indebtedness;
- 24 (vii) Certificate of interest or participation in any profit-
- 25 sharing agreement;
- 26 (viii) Collateral-trust certificate;
- 27 (ix) Preorganization certificate or subscription;
- 28 (x) Transferable share;
- 29 (xi) Investment contract;
- 30 (xii) Variable annuity contract;
- 31 (xiii) Viatical settlement contract or fractionalized or pooled
- 32 interest therein;

33 ~~(xiii)-(xiv)~~ Voting-trust certificate;

34 ~~(xiv)-(xv)~~ Certificate of deposit for a security;

35 ~~(xv)-(xvi)~~ Certificate of interest or participation in an oil,
36 gas, or mining title or lease or in payments out of production under such a

1 title or lease; or
2 ~~(xvi)~~(xvii) In general, any interest or instrument commonly known
3 as a "security" or any certificate of interest or participation in, temporary
4 or interim certificate for, guarantee of, or warrant or right to subscribe to
5 or purchase, any of the foregoing.

6 (B) Except as set forth in subdivision (15)(A)(xiii) of this
7 section, "Security" "security" does not include any insurance or endowment
8 policy or annuity contract or variable annuity contract issued by any
9 insurance company; and

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12 APPROVED: 2/28/2001
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