

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999
4

As Engrossed: S2/10/99

A Bill

SENATE BILL 210

5 By: Senator Webb
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For An Act To Be Entitled

9 "AN ACT TO AMEND VARIOUS SECTIONS OF THE ARKANSAS
10 SECURITIES ACT. "

Subtitle

13 "TO AMEND VARIOUS SECTIONS OF THE
14 ARKANSAS SECURITIES ACT. "

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16
17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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19 SECTION 1. Arkansas Code 23-42-103 is amended to read as follows:
20 "23-42-103. Applicability.

21 (a)(1) Sections 23-42-106, 23-42-108, 23-42-109, 23-42-212, 23-42-
22 301(a), 23-42-501, and 23-42-507 apply to persons who sell or offer to sell
23 when:

- 24 (A) An offer to sell is made in this state; or
- 25 (B) An offer to buy is made and accepted in this state.

26 (2) Sections 23-42-212, 23-42-301(a), and 23-42-507 apply to
27 persons who buy or offer to buy when:

- 28 (A) An offer to buy is made in this state; or
- 29 (B) An offer to sell is made and accepted in this state.

30 (3) ~~(A)~~ For the purpose of this section, an offer to sell or to
31 buy is made in this state, whether or not either party is then present in this
32 state, when the offer:

- 33 ~~(i)~~(A) Originates from this state; or
- 34 ~~(ii)~~(B) Is directed by the offeror to this state and received
35 at the place to which it is directed or at any post office in this state in
36 the case of a mailed offer.

1 ~~(B) However, if an offer is directed to an offeree in a state~~
2 ~~other than this state and that offer would be lawful if made in the other~~
3 ~~state, then for the purposes of this section the offer is not made in this~~
4 ~~state.~~

5 (4)(A) For the purpose of this section, an offer to buy or to sell is
6 accepted in this state when acceptance:

7 (i) Is communicated to the offeror in this state; and

8 (ii) Has not previously been communicated to the offeror,
9 orally or in writing, outside this state.

10 (B) Acceptance is communicated to the offeror in this state,
11 whether or not either party is then present in this state, when the offeree
12 directs it to the offeror in this state reasonably believing the offeror to be
13 in this state and it is received at the place to which it is directed or at
14 any post office in this state in the case of a mailed acceptance.

15 (5) An offer to sell or to buy is not made in this state when:

16 (A) The publisher circulates, or there is circulated on his
17 behalf, in this state any bona fide newspaper or other publication of general,
18 regular, and paid circulation which is not published in this state, or which
19 is published in this state but has had more than two-thirds (2/3) of its
20 circulation outside this state during the past twelve (12) months; or

21 (B) A radio or television program originating outside this state
22 is received in this state.

23 (b) Sections 23-42-307, 23-42-301(c), as well as § 23-42-212, so far as
24 investment advisers are concerned, apply when any act instrumental in
25 effecting prohibited conduct is done in this state, whether or not either
26 party is then present in this state."
27

28 SECTION 2. Arkansas Code 23-42-306(a) is amended to read as follows:

29 “(a) Every applicant, registered issuer, registered broker-dealer, or
30 registered investment adviser shall make and keep any accounts,
31 correspondence, memoranda, papers, books, and other records which the
32 commissioner by rule prescribes. However, this subsection shall not apply to
33 any registered investment adviser which maintains its principal place of
34 business in a state other than Arkansas that:

35 (1) Is registered or licensed as such in the state in which it
36 maintains its principal place of business; and

1 (2) Is in compliance with the applicable ~~net capital~~ books and
2 records keeping requirements of the state in which it maintains its principal
3 place of business.”

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5 SECTION 3. Arkansas Code 23-42-504(a)(8) is amended to read as follows:

6 “(8) Any offer or sale:

7 (A) by an issuer to a person in a state other than this state if
8 that offer or sale would be lawful if made in the other state; or

9 (B) to a bank, savings institution, trust company, insurance
10 company, investment company as defined in the Investment Company Act of 1940,
11 pension or profit-sharing trust, or other financial institution or
12 institutional buyer, or to a broker-dealer, whether the purchaser is acting
13 for itself or in some fiduciary capacity. The commissioner may by order, upon
14 petition by any person, determine if the petitioner may be deemed, upon the
15 basis of knowledge, experience, volume, and number of transactions, and other
16 securities background, an ‘institutional buyer’ for purposes of this
17 subdivision (a) (8);”

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19 SECTION 4. Arkansas Code 23-42-509(d) is amended to read as follows:

20 “(d) The commissioner, by rule or order, may require the filing of any
21 document filed with the Securities and Exchange Commission under the
22 Securities Act of 1933 with respect to a covered security under Section
23 18(b)(3) or (4) of the Securities Act of 1933, other than those securities
24 under subsection ~~(b)~~ (c) of this section, together with a fee in the amount of
25 one hundred dollars (\$100).”

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27 SECTION 5. All provisions of this Act of a general and permanent nature
28 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
29 Revision Commission shall incorporate the same in the Code.

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31 SECTION 6. If any provision of this Act or the application thereof to
32 any person or circumstance is held invalid, such invalidity shall not affect
33 other provisions or applications of the Act which can be given effect without
34 the invalid provision or application, and to this end the provisions of this
35 Act are declared to be severable.

