

2009 Bill 17

Second Session, 27th Legislature, 58 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 17

SECURITIES AMENDMENT ACT, 2009

MR. FAWCETT

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 17
Mr. Fawcett

BILL 17

2009

SECURITIES AMENDMENT ACT, 2009

(Assented to , 2009)

HER MAJESTY, by and with the advice and consent of the
Legislative Assembly of Alberta, enacts as follows:

Amends RSA 2000 cS-4

1 The *Securities Act* is amended by this Act.

2 Section 198(1)(b.2) is repealed and the following is substituted:

(b.2) that a person or company be reprimanded;

3 The following is added after section 209.1:

Rescission by purchase — mutual fund

210(1) Every purchaser of a security of a mutual fund may, if the amount of the purchase does not exceed the sum of \$50 000, rescind the purchase.

(2) A purchaser may rescind a purchase under subsection (1) by sending written notice of the rescission to the registered dealer from whom the purchase was made within

(a) 48 hours from the time the purchaser received the confirmation for a lump sum purchase, or

Explanatory Notes

1 Amends chapter S-4 of the Revised Statutes of Alberta 2000.

2 Section 198(1) presently reads in part:

198(1) Where the Commission considers that it is in the public interest to do so, the Commission may order one or more of the following:

(b.2) that a registrant be reprimanded;

3 Rescission by purchase — mutual fund.

(b) 60 days from the day the purchaser received the confirmation for the initial payment under a contractual plan.

(3) Subject to subsection (5), the amount the purchaser is entitled to recover on exercise of the right to rescind under this section shall not exceed the net asset value of the securities purchased at the time the right to rescind is exercised.

(4) The right to rescind a purchase made under a contractual plan may be exercised only with respect to payments scheduled to be made within the time specified in subsection (2) for rescinding a purchase made under a contractual plan.

(5) Every registered dealer from whom the purchase was made shall reimburse the purchaser who has exercised the purchaser's right of rescission in accordance with this section for the amount of sales charges and fees relevant to the investment of the purchaser in the mutual fund in respect of the shares or units of which the notice of rescission was given.

4 Section 214 is amended by adding the following after subsection (1):

(1.1) The Executive Director may, if the Executive Director considers that it would not be prejudicial to the public interest to do so, make an order revoking or varying any decisions made by the Executive Director under this Act or the regulations or any former *Securities Act* or regulations.

4 Section 214 presently reads:

214(1) The Commission may, if the Commission considers that it would not be prejudicial to the public interest to do so, make an order revoking or varying any decisions made by the Commission under this Act or the regulations or any former Securities Act or regulations.

(2) With respect to a decision made by the Chair under this Act or the regulations or any former Securities Act or regulations, the Chair may,

(a) if the Chair has acted alone in making the decision, and

(b) if the Chair considers that it would not be prejudicial to the public interest to do so,

make an order revoking or varying that decision.

5 Section 223 is amended

(a) in clause (k) by adding the following after subclause (xviii):

(xix) the issuance of receipts for any other disclosure documents;

(b) in clause (k.1)(iii) by striking out “prescribing” and substituting “respecting”.

5 Section 223 presently reads in part:

223 The Lieutenant Governor in Council may make regulations

- (k) governing annual information forms, annual reports, preliminary prospectuses, prospectuses, pro forma prospectuses, short form prospectuses, pro forma short form prospectuses, exchange offering prospectuses, simplified prospectuses, risk disclosure statements, offering memoranda or any other disclosure documents and, without limiting the generality of the foregoing, prescribing procedures and requirements with respect to and providing for exemptions from*
- (xviii) the requirements of Parts 7, 8 and 9 or the modification or variation of requirements under Parts 7, 8 and 9;*
- (k.1) prescribing circumstances in which a person or company that purchases a security under a distribution may cancel the purchase, including*
- (iii) specifying the person responsible for making and administering the payment of the refund and prescribing the period in which the refund must be paid;*

