

MAR 13 1974

Place On Calendar

HOUSE FILE 1432

By COMMITTEE ON COMMERCE
(Committee on Commerce)

Passed House, Date 3-26-74 (1249) Passed Senate, Date 4-2-74 (1127)

Vote: Ayes 95 Nays 0 Vote: Ayes 47 Nays 0

Approved 4-25-74

Passed per Senate amendment 4-10-74 (1633) Motion to reconsider filed 4-2 (1128) Withdrawn 4-8 (1229)

90-0

A BILL FOR

1 An Act relating to the definition of "security" and providing
 2 for the clarification and modification of certain exemptions
 3 under the Iowa securities law; relating to the registration
 4 requirements of those operating as dealers in securities,
 5 and to the licensing and examination fees payable by dealers
 6 and salesmen of securities, and increasing the amount of the
 7 surety bond to be obtained prior to being registered as a
 8 securities dealer; relating to the requirements of escrow
 9 agreements entered into under the Iowa securities law;
 10 relating to the public disclosure of information required
 11 to be furnished the commissioner of insurance; and providing
 12 penalties.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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16 This is a Companion Bill; for complete text see Senate File 1279

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H—2624

1 Amend House File 1432 as follows:

2 1. Page 10, by inserting after line 11 the follow-
3 ing section:

4 Sec. _____. Section five hundred two point twenty-
5 three (502.23), unnumbered paragraph one (1), Code
6 1973, is amended to read as follows:

7 Every sale or contract for sale made in violation
8 of any of the provisions of this chapter shall be
9 voidable at the election of the purchaser and the per-
10 son making such sale or contract for sale and every
11 director, officer, or agent of or for such seller who
12 shall have personally participated in making such sales
13 and at the time knew of such violations shall be jointly
14 and severally liable to such purchaser in an action at
15 law in any court of competent jurisdiction upon tender
16 to the seller in person or in open court of the
17 securities sold or of the contract made for the full
18 amount paid by such purchaser, together with all tax-
19 able court costs and reasonable attorney's fees in any
20 action or tender under this section; provided, that no
21 action shall be brought for the recovery of the purchase
22 price after two five years from the date of such
23 sale or contract for sale; and provided further,
24 that no purchaser otherwise entitled shall claim or
25 have the benefit of this section who shall have re-
26 fused or failed within thirty days from the date
27 thereof to accept an offer in writing of the seller
28 to take back the security in question and to refund
29 the full amount paid by such purchaser, together with
30 interest on such amount for the period from the date
31 of payment by such purchaser down to the date of re-
32 payment, such interest to be computed:

33 2. By renumbering sections and correcting internal
34 references as necessary.

H—2624 Filed - *Adopted 3/26*
March 25, 1974

By BITTLE of Polk
CARR of Dubuque
NIELSEN of Polk

H—2625

1 Amend House File 1432 as follows:

2 1. Page 11, by adding after line 29 the following
3 section:

4 Sec. _____. Chapter five hundred three (503), Code
5 1973 is repealed.

H—2625 Filed - *Adopted 3/26*
March 25, 1974

By BITTLE of Polk
OAKLEY of Clinton

H—2635

1 Amend House File 1432, page 11, by inserting
2 after line 26 the following new section:

3 Sec. _____. This Act, being deemed of immediate
4 importance, shall take effect and be in force
5 from and after its publication in The West Des Moines
6 Express, a newspaper published in West Des Moines,
7 Iowa, and in the Whittemore Champion, a newspaper
8 published in Whittemore, Iowa.

H—2635 Filed and adopted
March 26, 1974

By KRAUSE of Palo Alto

SENATE AMENDMENT TO HOUSE FILE 1432

- 1 Amend House File 1432, as amended and passed by
2 the House, as follows:
3 1. Page 11, by adding the following section after
4 line 29:
5 Sec. _____. Chapter five hundred two (502),
6 Code 1973, is amended by adding the following new
7 section:
8 NEW SECTION. RESTITUTION. Any person convicted
9 of a violation of this chapter which involves the
10 loss of a purchaser's money shall, upon conviction,
11 be required to prepare a plan of restitution. The
12 provisions of chapter two hundred ninety-five (295),
13 Acts of the Sixty-fifth General Assembly, 1973
14 Session, section eight (8) shall apply to
15 restitution allowed under this section, insofar as
16 applicable; provided, however, that probation or
17 deferred judgment shall not be necessary to require
18 restitution under this section.
19 2. Page 11, by striking lines 30 and 31.
20 3. By renumbering sections to conform with this
21 amendment.

Received from the Senate
April 8, 1974

House concurred 4/10

S-2614

- 1 Amend House File 1432, as amended and passed by
2 the House, as follows:
3 1. Page 10, by striking lines 12 through 39.
4 2. Page 11, by striking lines 30 and 31.
5 3. Page 11, by striking lines 32 through 36.
6 4. By renumbering sections to conform with this
7 amendment.

S-2614 Filed *1 and 3 withdrawn*
March 28, 1974 *2 and 4 adopted 4/2*

By MCCARTNEY

S-2626

- 1 Amend House File 1432, as amended and passed by the
2 House, page 5, line 18 by striking the words "Two
3 million" and inserting in lieu thereof the words
4 "Five hundred thousand".

S-2626 Filed - *Last 4/2*
April 1, 1974

By SCHABEN

S-2628

- 1 Amend House File 1432, as amended and passed by the
2 House, as follows:
3 1. Page 11, by adding the following section after
4 line 29:
5 Sec. ____ Chapter five hundred two (502),
6 Code 1973, is amended by adding the following new
7 section:
8 NEW SECTION. RESTITUTION. Any person convic-
9 ted of a violation of this chapter which involves
10 the loss of a purchaser's money shall, upon convic-
11 tion, be required to prepare a plan of restitution.
12 The provisions of chapter two hundred ninety-five
13 (295), Acts of the Sixty-fifth General Assembly,
14 1973 Session, section eight (8) shall apply to
15 restitution allowed under this section, insofar as
16 applicable; provided, however, that probation or
17 deferred judgment shall not be necessary to require
18 restitution under this section.
19 2. By renumbering the remaining sections.

S-2628 Filed - *adopted 4/2*
April 1, 1974

By SCHABEN

S-2641

- 1 Amend House File 1432, as amended and passed by the
2 House, page 5, line 18, by striking the words, "Two
3 million" and inserting in lieu thereof the words
4 "One million".

S-2641 Filed and lost
April 2, 1974

By SCHABEN