

No. 41

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4th Session, 14th Legislature, Alberta  
10 Elizabeth II

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## **BILL 41**

A Bill to amend The Securities Act, 1955

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HON. MR. MANNING

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## Explanatory Note

**2.** Section 20, subsection (1), clause (f) states:

"20. (1) Subject to the regulations, registration is not required in respect of

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(f) a trade between a person or company and an underwriter, optionee, sub-underwriter or sub-optionee in securities issued by that person or company and trades in such securities between or among underwriters, optionees, sub-underwriters and sub-optionees,".

**3.** The heading to Part V is revised to express more accurately the content.

**4.** Sections 35 to 41 of The Securities Act, 1955, are repealed and replaced. Under section 36 there is an appeal to the commission as a whole from the decision of the chairman. At present these appeals are final. This amendment will provide an appeal from the decision of the commission to the Appellate Division of the Supreme Court of Alberta. The new provisions also require the commission to record the evidence heard before it. Sections 35 to 41 presently read:

"35. Any person or company upon whom a notice is served under section 34 or any other person or company who is primarily affected by any such direction, decision, order or ruling may, by notice in writing served upon the registrar within thirty days after the mailing of the notice, request a hearing and review by the commission of the direction, decision, order or ruling.

36. Where a hearing and review is requested under section 35, the registrar shall serve a notice in writing of the time, place and date thereof to the person or company requesting the hearing and review and to such other person or company as in the opinion of the commission is primarily affected by the hearing.

# BILL

No. 41 of 1962

An Act to amend The Securities Act, 1955

(Assented to \_\_\_\_\_, 1962)

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

**1.** *The Securities Act, 1955*, being chapter 64 of the Statutes of Alberta, 1955, is hereby amended.

**2.** Section 20 is amended by adding the following new subsection:

(4) An underwriter, optionee, sub-underwriter or sub-optionee who is not registered to trade as a principal under the security laws of any jurisdiction ceases to be exempt from registration in respect of a trade to which clause (f) of subsection (1) applies.

**3.** The heading preceding section 34 is struck out and the following is substituted:

## REVIEWS AND APPEALS

### Reviews

**4.** Sections 35 to 41 are struck out and the following sections are substituted:

**35.** Any person or company

(a) upon whom a notice is served under section 34, or

(b) who is primarily affected by any direction, decision, order or ruling of the commission,

may, by notice in writing served upon the registrar within thirty days after the mailing of the notice, request a hearing and review of the direction, decision, order or ruling.

**36.** (1) A hearing and review requested under section 35 shall be heard by the full commission.

(2) Notwithstanding subsection (1), where the chairman is of the opinion that he should not sit upon a hearing and review, the Lieutenant Governor in Council may

(a) appoint a person as an acting member of the commission for the purposes of the hearing and review, and fix his remuneration, and

37. Upon the review the commission may hear any evidence that is in the opinion of the commission relevant to the review and that is submitted to it by the person or company requesting the review or by any other person or company.

38. Upon a review the commission is not bound by legal or technical rules of evidence.

39. Upon a review the commission may by order confirm or revoke the direction, decision, order or ruling under review or may make such alteration therein or addition thereto as a majority of the members of the commission deem proper, and the adjudication of the commission is final.

40. A notice of the order made upon every review shall be served forthwith upon the person or company requesting the review and to such other person or company as in the opinion of the commission is primarily affected by such order.

41. An order of the commission under section 39 is final and there is no appeal therefrom but notwithstanding the order the commission has power to make any further direction, decision, order or ruling upon new matter or if there is a material change in the circumstances, and every further direction, decision, order or ruling is subject to sections 34 to 40."

- (b) designate one of the members of the commission to act as chairman for the purposes of the hearing and review.

**37.** Where a hearing and review is requested under section 35, the registrar shall serve a notice in writing of the time, place and date thereof

- (a) upon the person or company requesting the hearing and review, and
- (b) upon such other persons or companies that, in the opinion of the commission, are primarily affected by the hearing.

**38.** (1) Upon the review, the commission may hear such evidence as may be submitted to it by the person or company requesting the review or by any other person or company and which in the opinion of the commission is relevant to the review.

(2) Upon a review the commission is not bound by the legal or technical rules of evidence and all oral evidence submitted shall be taken down in writing and together with such documentary evidence and things as are received in evidence by the commission shall form the record.

(3) The Attorney General may designate counsel to assist the commission upon a review.

(4) Upon a review the commission has the same power to summon and enforce the attendance of witnesses or persons and compel them to give evidence on oath or otherwise, and to produce documents, records and things as is vested in the Supreme Court of Alberta or a judge thereof for the trial of civil actions, but

- (a) the provisions of rules of court or of law relating to the service of subpoenas upon and to the payment of conduct money or witness fees to witnesses do not apply,
- (b) no person is entitled in respect of any document, record or thing asked for, given or produced, to claim any privilege on the ground that he might be criminated or exposed to a penalty or to civil litigation thereby,
- (c) no person shall refuse to answer any question upon any ground of privilege, but a solicitor shall not be required to disclose any communications between himself and his client, and
- (d) no provision of *The Alberta Evidence Act* exempts any bank or any officer or employee thereof from the operation of this section.

**39.** Upon a review, the commission may by order confirm or revoke the direction, decision, order or ruling under review or may make such alteration therein or addition thereto as a majority of the members of the commission deem proper.

**5. Section 44a, subsection (1), clause (a) presently reads:**

“44a. (1) In this section,

- (a) “commercial syndicate” means a combination of persons or companies or both persons and companies not exceeding twenty in number, formed, with a common view to profit, for the promotion of any mercantile, mechanical or manufacturing enterprise or any enterprise for the development of property, but does not include a mining syndicate;”.

**6. Section 44b, subsection (1) presently reads:**

“44b. (1) Except a salesman of a commercial syndicate registered as such under section 9, and subject to subsection (2), no person registered for trading in securities under this Act shall trade in a security issued by a prospecting syndicate or agent for the syndicate, or other person, or as principal.”.

**40.** A notice of the order made upon every review shall be served forthwith upon the person or company requesting the review and to such other person or company as in the opinion of the commission is primarily affected by such order.

### **Appeals**

**41.** (1) Where the commission has reviewed a direction, decision, order or ruling pursuant to this Part, any person or company upon whom a notice is served under section 40 or any other person or company who is primarily affected by such direction, decision, order or ruling or by the order made upon the review may appeal to the Appellate Division of the Supreme Court of Alberta.

(2) Every appeal shall be by notice of motion served upon the registrar within thirty days after the mailing of the notice under section 40 and the practice and procedure upon and in relation to the appeal shall be the same as upon an appeal from a judgment of a judge of the Supreme Court in an action, but the Lieutenant Governor in Council may vary or amend such practice and procedure or may prescribe the practice and procedure that shall be applicable to appeals taken under this section.

(3) The registrar shall certify to the Registrar of the Appellate Division of the Supreme Court of Alberta

- (a) the direction, decision, order or ruling that has been reviewed by the commission,
- (b) the order of the commission upon the review, together with any statement of reasons therefor,
- (c) the record of the review, and
- (d) all written submissions to the commission or other material that in the opinion of the registrar are relevant to the appeal.

(4) The Attorney General may designate counsel to assist the court upon the hearing of any appeal taken under this section.

**41a.** Where an appeal is taken under section 41, the court may by its order direct the commission to make such direction, decision, order or ruling or to do such other act as the commission is authorized and empowered to do under this Act or the regulations and as the court deems proper having regard to the material and submissions before it and to this Act and the regulations, and the commission shall make such direction, decision, order or ruling or do such act accordingly.

**5.** Section 44a, subsection (1), clause (a) is amended by striking out the words "not exceeding twenty in number".

**6.** Section 44b, subsection (1) is amended by striking out the word "issued" and by substituting the word "offered".

**7. Section 94, subsection (1) presently reads:**

"94. (1) All moneys paid to and received by the security issuer in respect of the minimum subscription shall be deposited as trust funds to its credit as trustee in a separate account in a branch or agency of a bank in the Province."

**8. Commencement of Act.**



**41b.** An order of the court is final and there is no appeal therefrom but notwithstanding such order the commission has power to make any further direction, decision, order or ruling upon new material or where there is a material change in the circumstances, and every direction, decision, order or ruling is subject to the provisions of this Part.

**7.** Section 94, subsection (1) is amended by adding immediately after the word "bank" the words "or trust company or treasury branch".

**8.** This Act comes into force on the day upon which it is assented to.

No. 41

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FOURTH SESSION

**FOURTEENTH LEGISLATURE**

10 ELIZABETH II

1962

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**BILL**

An Act to amend The Securities  
Act, 1955

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Received and read the

First time .....

Second time .....

Third time .....

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HON. MR. MANNING

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