

## Session 115 - (2003-2004)

### **S 0964 General Bill, By Martin, McConnell, Alexander, Thomas and Anderson**

**Summary:** Securities filings, brokers, financial advisors

A BILL TO AMEND SECTION 35-1-40, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DISCLOSURE OF SECURITIES FILINGS, SO AS TO ALLOW PUBLIC DISCLOSURE OF SECURITIES FILINGS AND OTHER SECURITIES INFORMATION PURSUANT TO THE FREEDOM OF INFORMATION ACT; TO AMEND SECTION 35-1-415, RELATING TO THE EXEMPTION FROM LICENSING OF A BROKER DEALER LICENSED UNDER THE SECURITIES LAWS IN ANOTHER STATE, SO AS TO REQUIRE THEIR LICENSING FOR EVEN ONE TRANSACTION IN THIS STATE; TO AMEND SECTION 35-1-510, RELATING TO SURETY BONDS OF BROKERS, SO AS TO ALLOW SUITS TO BE COMMENCED WITHIN THREE YEARS AFTER ANY ACTION GIVING RISE TO THE SUIT IS DISCOVERED OR SHOULD HAVE BEEN DISCOVERED; TO AMEND SECTION 35-1-1490, RELATING TO THE ADVISING OF BUYERS ON SALES OR OFFERS, SO AS TO PROVIDE LIABILITY TO SELLERS FOR ILLEGAL OR FRAUDULENT SALES OR OFFERS; TO AMEND SECTION 35-1-1500, RELATING TO PERSONS JOINTLY AND SEVERALLY LIABLE WITH SELLER, SO AS TO PROVIDE THAT EVERY PERSON WHO KNOWS A SELLER IS ENGAGED IN FRAUDULENT ACTS AND INTENTIONALLY FURTHERS THE VIOLATION BY SUBSTANTIALLY ASSISTING THE SELLER OR OTHER PERSON WHO ENGAGES IN FRAUDULENT ACTS IN VIOLATION OF THE SOUTH CAROLINA UNIFORM SECURITIES ACT IS LIABLE TO THE SAME EXTENT AS THE SELLER; TO AMEND SECTION 35-1-1550, RELATING TO WAIVER OF COMPLIANCE WITH THE SECURITIES CHAPTER, SO AS TO PROVIDE FOR NO WAIVER OF A CHOICE OF LAW PROVISION, DIRECTLY OR INDIRECTLY; TO ADD SECTION 35-1-1555, SO AS TO PROVIDE A PROCESS FOR THE SELECTION OF AN ARBITRATION PANEL TO HEAR CASES ARISING OUT OF BROKERAGE RELATIONSHIPS AND A SITE FOR THE ARBITRATION TO BE HELD; TO ADD SECTION 35-1-1565, SO AS TO REQUIRE BROKERS AND FINANCIAL ADVISORS TO COMPLY WITH THE PRUDENT INVESTOR RULE.

**02/12/04 Senate Introduced and read first time SJ-5**

**02/12/04 Senate Referred to Committee on Banking and Insurance SJ-5**