

Introduced: 4/10/81  
Referred: Labor & Commerce  
and Judiciary

1 IN THE SENATE

BY HOHMAN

2 SENATE BILL NO. 411

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to orders under the Alaska Securities  
7 Act of 1959."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 45.55.200 is amended to read:

10 Sec. 45.55.200. ORDERS AND INJUNCTIONS. (a) Whenever it appears  
11 to the administrator that a person has engaged or is about to engage in  
12 an act or practice in violation of any provision of this chapter or  
13 rule or order under this chapter, he may

14 (1) if he considers it in the public interest or for the  
15 protection of investors, issue an order (A) directing the person to  
16 cease and desist from continuing the act or practice, (B) directing the  
17 person, for a period not to exceed three years, to file the annual  
18 reports, proxies, consents or authorizations, proxy statements, or  
19 other materials relating to proxy solicitations required under AS 45.-  
20 55.139 with the administrator for examination and review 10 working  
21 days before a distribution to shareholders, and (C) voiding any prox-  
22 ies obtained by a person required to file under AS 45.55.139, including  
23 their future exercise or actions resulting from their past exercise, if  
24 the proxies were solicited by means of an untrue or misleading state-  
25 ment prohibited under AS 45.55.160 [; PROVIDED THAT REASONABLE NOTICE  
26 OF AND AN OPPORTUNITY FOR A HEARING SHALL FIRST BE GIVEN, EXCEPT THAT  
27 THE ADMINISTRATOR MAY ISSUE A TEMPORARY ORDER PENDING THE HEARING WHICH  
28 SHALL REMAIN IN EFFECT UNTIL 10 DAYS AFTER THE HEARING IS HELD AND  
29 WHICH SHALL BECOME FINAL IF THE PERSON TO WHOM NOTICE IS ADDRESSED DOES

1 NOT REQUEST A HEARING WITHIN 15 DAYS AFTER THE RECEIPT OF NOTICE]; or

2 (2) bring an action in the superior court to enjoin the acts  
3 or practices and to enforce compliance with this chapter or rule or  
4 order under this chapter, and upon a proper showing, the appropriate  
5 remedy shall be granted and a receiver or conservator may be appointed  
6 for the defendant or the defendant's assets; the court may not require  
7 the administrator to post a bond.

8 (b) Before issuing an order under (a)(1) of this section the  
9 administrator shall give reasonable notice of and an opportunity for a  
10 hearing. However, the administrator may issue a temporary order pend-  
11 ing the hearing which order shall remain in effect until 10 days after  
12 the hearing is held and which shall become final if the person to whom  
13 notice is addressed does not request a hearing within 15 days after the  
14 receipt of notice.