

HOUSE No. 3342

By Miss Travinski of Southbridge, petition of Marilyn L. Travinski and another relative to the sale of certain commodity investment products. Commerce and Labor.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Nine.

AN ACT RELATIVE TO SECURITIES ENFORCEMENT ACTIONS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Subsection (a) of section 204 chapter 110A as
2 appearing in the 1986 Official Edition of the General Laws is
3 hereby amended by inserting in line one, after the word "order",
4 the words: — impose an administrative fine or censure or.

1 SECTION 2. Section 204(a)(2) is hereby further amended by
2 striking out sections (F) and (G) and inserting in place the
3 following: —

4 (F) is the subject of any of the following orders which are
5 currently effective or which were issued within the last five years;

6 (i) an order by the securities agency or administrator of another
7 state, Canadian province or territory, or the Securities and
8 Exchange Commission, entered after notice and opportunity for
9 hearing, denying, suspending, or revoking the person's license as
10 a broker dealer, agent or investment advisor, or the substantial
11 equivalent of those terms as defined in this chapter;

12 (ii) a suspension or expulsion from membership in an
13 association with a self regulatory organization registered under
14 the Securities Exchange Act of 1934 or the Commodities
15 Exchange Act;

16 (iii) a United States Postal Service fraud order;

17 (iv) a cease and desist order entered after notice and
18 opportunity for hearing by the secretary or the securities agency
19 or administrator of any other state, Canadian province or

20 territory, the Securities and Exchange Commission, or the
21 Commodity Futures Trading Commission; or

22 (v) an order by the Commodity Futures Trading Commission
23 denying, suspending, or revoking registration under the
24 Commodity Exchange Act;

25 (G) had engaged in any unethical or dishonest conduct or
26 practices in the securities, commodities or insurance business.

1 SECTION 3. Section 407A of Chapter 110A of the General
2 Laws is hereby amended by inserting a new section (a): —

3 (a) If the secretary determines, after notice and opportunity for
4 hearing, that any person has engaged in or is about to engage in
5 any act or practice constituting a violation of any provision of
6 this chapter or any rule or order issued thereunder, he may order
7 such person to cease and desist from such unlawful act or practice
8 and may take such affirmative action, including the imposition
9 of an administrative fine, the issuance of an order for an
10 accounting, disgorgement or rescission and/or any other such relief
11 as in his judgment may be necessary to carry out the purposes
12 of this chapter. No administrative fine imposed pursuant to this
13 chapter shall exceed five thousand dollars for each violation.

1 SECTION 4. Section 407A of chapter 110A of the General
2 Laws is hereby amended by inserting a new section (d): —

3 (d) a registrant, applicant for registration, issuer or other
4 person upon whom the Division has conducted an examination,
5 audit, investigation or adjudicatory proceeding who has been
6 found to have violated the provisions of this chapter shall pay for
7 all the costs incurred in the conduct of such examination, audit,
8 investigation or proceeding. These costs shall include but are not
9 limited to, the salaries and other compensation paid to clerical,
10 administrative, investigative and legal personnel of the Division
11 in the conduct of such examination, audit, investigation or
12 adjudicatory proceeding.

1 SECTION 5. Section 408 of chapter 110A of the General Laws
2 is hereby amended by striking out the second sentence and
3 inserting in place the following: —

4 Upon a proper showing, the court may grant a preliminary or
5 permanent injunction or a temporary restraining order and may
6 order an accounting, disgorgement, rescission and such other
7 relief as may be in the public interest, including but not limited
8 to the appointment of a receiver or conservator for the defendant
9 or the defendant's assets.

1 SECTION 6. Section 410(e) of the chapter 110A of the General
2 Laws is hereby amended by striking out the first sentence and
3 inserting in its place the following: —

4 No person may sue under this section more than four years after
5 the discovery by the person bringing the action of a violation of
6 this chapter or any rule promulgated or order issued thereunder.

The first part of the history of the
 country is divided into three
 periods. The first period is
 the period of the discovery
 of the country. The second
 period is the period of the
 settlement of the country.
 The third period is the
 period of the development
 of the country.

The second part of the history of the
 country is divided into three
 periods. The first period is
 the period of the discovery
 of the country. The second
 period is the period of the
 settlement of the country.
 The third period is the
 period of the development
 of the country.

The third part of the history of the
 country is divided into three
 periods. The first period is
 the period of the discovery
 of the country. The second
 period is the period of the
 settlement of the country.
 The third period is the
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 of the country.