

By Senator Sebesta

20-1557-99

1                                   A bill to be entitled  
2           An act relating to the sale of securities;  
3           amending s. 517.211, F.S.; providing that a  
4           sale of securities by a dealer, associated  
5           person, or issuer who is not registered with  
6           the Department of Banking and Finance may be  
7           rescinded by the purchaser; providing that an  
8           investment adviser or associated person who  
9           engages in business without being registered  
10          with the department may have such business  
11          canceled by the purchaser; providing an  
12          effective date.

14 Be It Enacted by the Legislature of the State of Florida:

16           Section 1. Subsection (1) of section 517.211, Florida  
17 Statutes, is amended to read:

18           517.211 Remedies available in cases of unlawful  
19 sale.--

20           (1) Every sale made in violation of either s. 517.07  
21 or s. 517.12(1) or (4)~~s. 517.12~~ may be rescinded at the  
22 election of the purchaser; and the person making the sale and  
23 every director, officer, partner, or agent of or for the  
24 seller, if the director, officer, partner, or agent has  
25 personally participated or aided in making the sale, is  
26 jointly and severally liable to the purchaser in an action for  
27 rescission, if the purchaser still owns the security, or for  
28 damages, if the purchaser has sold the security. No purchaser  
29 otherwise entitled will have the benefit of this subsection  
30 who has refused or failed, within 30 days of receipt, to  
31 accept an offer made in writing by the seller, if the

1 purchaser has not sold the security, to take back the security  
2 in question and to refund the full amount paid by the  
3 purchaser or, if the purchaser has sold the security, to pay  
4 the purchaser an amount equal to the difference between the  
5 amount paid for the security and the amount received by the  
6 purchaser on the sale of the security, together, in either  
7 case, with interest on the full amount paid for the security  
8 by the purchaser at the legal rate, pursuant to s. 55.03, for  
9 the period from the date of payment by the purchaser to the  
10 date of repayment, less the amount of any income received by  
11 the purchaser on the security.

12 Section 2. This act shall take effect July 1, 1999.

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15 SENATE SUMMARY

16 Provides that a sale of securities by a dealer,  
17 associated person, or issuer who is not registered with  
18 the Department of Banking and Finance may be rescinded by  
19 the purchaser and that an investment adviser or  
20 associated person who engages in business without being  
21 registered with the department may have such business  
22 canceled by the purchaser.

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