



## CHAPTER 85

An Act to amend the Security Frauds Prevention Act, 1930

*[Assented to, the 13th of April, 1933]*

**HIS MAJESTY**, with the advice and consent of the  
Legislative Council and of the Legislative Assembly  
of Quebec, enacts as follows:

**1.** The Security Frauds Prevention Act, 1930, (Revised R. S., c. Statutes, 1925, chapter 228A), as enacted by the act 20 228A, s. 17a, George V, chapter 88, section 1, is amended by adding thereto, after section 17 thereof, the following section:

**"17a.** Whenever, in an action brought under this act, Certificate proof is required that a person or a company is or is not registered, a certificate signed by the Registrar shall be evidence of the existence or absence of registration, as the case may be, of such person or company. Such certificate shall be sufficient proof of its contents and of the authority of the Registrar."

**2.** The said act is amended by adding thereto, after section 25 thereof, the following sections:

**"26. 1.** No broker or salesman shall engage in the business of trading in any security issued by a security issuer, when all the proceeds of the sale or a part thereof must be transmitted directly or indirectly to such security issuer, prior to a copy having been deposited in the Registrar's office of the last prospectus or return filed by such security issuer under the Companies Information Act (Chap. 228), together with a declaration stating the price and conditions of purchase by the broker or salesman and the price at which such broker or salesman must sell such security or otherwise dispose of same, or the commission payable to the broker or salesman in respect thereto.

R. S., c. 228A, ss. 26, 27, added.  
Depositing of declaration, etc., prior to engaging in business in certain case.

Failure  
deemed  
offence.

2. Failure, without reasonable excuse, to comply with the provisions of this section shall constitute an offence.

Trading  
prohibited  
prior to  
receipt of  
registration  
notice.

**"27. 1.** No broker or salesman shall engage in the business of trading in securities prior to having received a written notice of his registration. No broker or salesman shall declare, directly or indirectly, that he is registered under the provisions of this act, nor exhibit to any person whomsoever either the original or a copy of any document or letter received from the Registrar, nor announce his registration in any manner, other than by replying to the persons questioning him on the subject that he is registered under such a name and such a number.

Declaration,  
etc., of re-  
gistration  
prohibited.

Failure  
deemed  
offence.

2. Failure, without reasonable excuse, to comply with the provisions of this section shall constitute an offence."

Coming into  
force.

**3.** This act shall come into force on the day of its sanction.