

ORIGINAL



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MEMORANDUM

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Abby Henig, Assistant General Counsel
Corporation Commission—Securities Division
Direct line: 602-542-0157
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TO: Docket Control
FROM: Abby Henig
DATE: June 7, 2006
RE: Docket # RS-00000A-06-0210

Please file the attached in docket # RS-00000A-06-0210. No distribution is necessary. Attached are 1) Agency Receipt for Notice of Proposed Rulemaking, 2) Agency Certificate Notice of Proposed Rulemaking, and 3) Notice of Proposed Rulemaking.

Thank you.

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AGENCY RECEIPT

for

NOTICE OF PROPOSED RULEMAKING

SECRETARY OF STATE

2006 JUN -7 AM 11: 04

FILED

1. **Agency Name:** Arizona Corporation Commission, Securities Division
2. **Title and its Heading:** Title 14, Public Service Corporations; Corporations
and Associations; Securities Regulation
Chapter and its Heading: Chapter 4, Corporation Commission, Securities
Article and its Heading: Article 1. In General Relating to the Securities Act

Sections

R14-4-135

Action

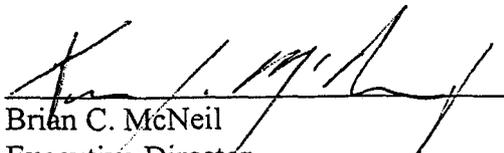
Amend

AGENCY CERTIFICATE
NOTICE OF PROPOSED RULEMAKING

1. Agency name: Arizona Corporation Commission, Securities Division
2. Chapter heading: Chapter 4. Corporation Commission, Securities
3. Code citation for the Chapter: 14 A.A.C. 4
4. The Subchapters, if applicable; the Articles; the Parts, if applicable; and the Sections involved in the rulemaking, listed in numerical order:

<u>Subchapters, Articles, Parts, and Sections</u>	<u>Action</u>
Article 1, Section R14-4-135	Amend

5. The rule contained in this package is a true and correct version of the rule proposed by the agency.

6. 

Brian C. McNeil
Executive Director
Arizona Corporation Commission

1 JUN 06

Date

NOTICE OF PROPOSED RULEMAKING

TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND ASSOCIATIONS;

SECURITIES REGULATION

CHAPTER 4. CORPORATION COMMISSION--SECURITIES

PREAMBLE

1. Sections Affected Rulemaking Action
A.A.C. R14-4-135 Amend

2. The specific authority for the rulemaking, including both the authorizing statute (general) and the implementing statute (specific):
Authorizing statute: A.R.S. §§ 44-1821 and 44-1845
Implementing statute: A.R.S. § 44-1843
Constitutional authority: Arizona Constitution, Article XV, §§ 6 and 13

3. A list of all previous notices appearing in the Register addressing the proposed rule.
Notice of Rulemaking Docket Opening 12 A.A.R. 1425, April 28, 2006

4. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:
Name: Abby Henig
Address: Arizona Corporation Commission, Securities Division
1300 W. Washington, Third Floor
Phoenix, AZ 85007-2996
Telephone: (602) 542-0187
Fax Number: (602) 594-7402
E-mail: ahenig@azcc.gov

5. An explanation of the rule, including the agency's reasons for initiating the rule:

A.A.C. R14-4-135 provides an exemption from registration for offers declared effective with the Securities and Exchange Commission pursuant to its multijurisdictional disclosure rule, which is designed to permit offerings to become effective in the U.S. at the same time such offers become effective in Canada. Rule 14-4-135 was adopted in 1990 to permit Arizona to participate in the multijurisdictional system.

The Securities Division has recommended that the Commission amend A.A.C. R14-4-135 to provide for the effective date of multi-jurisdictional offerings made in Arizona to coincide with the offering's SEC effective date, provided a prospectus or offering circular is filed with the Commission before the offering is made.

6. A reference to any study relevant to the rule that the agency proposes to rely on or not to rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of the study and other supporting material.

None.

7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable.

8. The preliminary summary of the economic, small business, and consumer impact:

Pursuant to A.R.S. § 41-1055(D)(3), the Commission is exempt from providing an economic, small business, and consumer impact statement.

9. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

The individual named in item 4 above.

10. The time, place, and nature of the proceedings for the making, amendment, or repeal of the rule, or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

Date: August 9, 2006

Time: 10:00 a.m.

Location: Arizona Corporation Commission
1200 West Washington Avenue
Phoenix, Arizona 85007

Nature: Oral proceeding. Subsequent to the oral proceeding, the Arizona Corporation Commission will take final action at an open meeting with respect to the making of the proposed rule.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None.

12. Any material incorporated by reference and its location in the rules:

None.

13. The full text of the rule follows:

TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND
ASSOCIATIONS; SECURITIES REGULATION
CHAPTER 4. CORPORATION COMMISSION
SECURITIES

ARTICLE 1. IN GENERAL RELATING TO THE ARIZONA SECURITIES ACT

Sections

R14-4-135. Exempt Securities – Multijurisdictional Disclosure System

R14-4-135. Exempt Securities – Multijurisdictional Disclosure System

An offering of securities within this state which has been declared effective with the U.S. Securities and Exchange Commission (the “SEC”) on Form F-7, F-8, F-9, or F-10 shall be added to the class of securities exempt under A.R.S. §44-1843, provided that before an offer is made in Arizona:

1. A prospectus or an offering circular, the standards of form or content which are prescribed by any provision of the Securities Act of 1933, or rules and regulations promulgated thereunder, and Form F-7, F-8, F-9, or F-10, whichever is applicable, shall be filed with the Commission ~~at least seven days before the offering is made~~; and
2. A nonrefundable exemption fee as provided in A.R.S. §44-1861(G) shall be paid to the Commission.