

Chapter SEC 1

TITLE AND DEFINITIONS

SEC 1.01 Short title

SEC 1.02 Definitions

SEC 1.01 Short title. These rules shall be known and may be cited as the "rules of the commissioner of securities."

History: Cr. Register, December, 1969, No. 168, eff. 1-1-70.

SEC 1.02 Definitions. In chapter 551, Wis. Stats., and these rules, and unless the context otherwise requires:

(1) With respect to advertising as defined in section 551.02 (1), Wis. Stats.:

(a) "Publication" means advertising printed in any newspaper, magazine, periodical or other publication and mailed or delivered to its subscribers or addressees, or communicated by radio, television or similar means;

(b) "Circulation" means advertising mailed, delivered or communicated in substantially similar form to more than the number of persons permitted under section 551.23 (10) or (11), Wis. Stats.; and

(c) "Use" means any other use of advertising.

(2) "Broker-dealer" as defined in section 551.02 (3), Wis. Stats., does not include:

(a) A pension or profit sharing trust, when effecting transactions for its own account; or

(b) A licensed investment adviser when placing orders for the accounts of its clients in accordance with rules prescribed by the commissioner, provided that no commission or other remuneration is received by such investment adviser solely for placing such orders.

(3) "Purchase" of a security includes every purchase, acquisition or exchange, and every contract of purchase of, or contract to purchase, a security or interest in a security for value.

(4) With respect to an outstanding warrant or convertible security registered under sections 551.25 or 551.26, Wis. Stats., or exempted under sections 551.22 or 551.23, Wis. Stats., the right to purchase or subscribe for or convert into another security of the same or another issuer does not constitute an "offer of the other security" as defined in section 551.02 (11) (d), Wis. Stats.

(5) "Security" as defined in section 551.02 (13) (a), Wis. Stats., includes any membership in an incorporated or unincorporated association, any promoter or controlling person of which expects to make a profit or remuneration directly or indirectly from any business or activity of such association or from the offer or sale of memberships of such association.

History: Cr. Register, December, 1969, No. 168, eff. 1-1-70; r. and recr., Register, August, 1972, No. 200, eff. 9-1-72.