

*File
Attorney General's
opinion*

THE ATTORNEY GENERAL



STATE OF UTAH
STATE CAPITOL • SALT LAKE CITY
DA8-5261

- **VERNON B. ROMNEY**
ATTORNEY GENERAL
- **ROBERT B. HANSEN**
DEPUTY ATTORNEY GENERAL

September 24, 1971

Mr. William P. Sargeant
Director
State Securities Division
330 East Fourth South
Salt Lake City, Utah

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UTAH STATE
SECURITIES DIVISION

Dear Mr. Sargeant:

Pursuant to our discussion and after further consideration and the discussion with the law firm of Sullivan and Cromwell of New York City, it is still my considered opinion that the Division of Securities should not issue exemption letters under 61-1-14; that persons claiming those exemptions act at their own risk and the burden of proof would be upon them in the event any challenge were made to show that they were entitled to the exemption.

A question exists with respect to Paragraph 1 (g), as detailed to me by the New York law firm with respect to certain securities, that section provides an exemption for "Any security listed on the New York Stock Exchange, the American Stock Exchange, or on any other recognized and responsible stock exchange approved by the commission, provided that the commission may at any time suspend or revoke this exemption for any particular stock exchange, security or securities pursuant to section 61-1-14 (3); any other security of the same issuer which is of senior or substantially equal rank to any security so listed and approved by the commission ..."

Mr. William P. Sargeant

Page 2

September 24, 1971

In my opinion, the phrase "and approved by the commission" refers to securities that are the listed securities and does not mean that the security which is of senior or substantially equal rank must be approved by the commission; and that this particular exemption in its operation functions in the same way as the other exemptions which I have outlined above.

If I can be of further help to you in this matter, please feel free to call on me.

Very truly yours,



VERL R. TOPHAM

Assistant Attorney General

VRT/bc