

UNIFORM SECURITIES ACT (EXCERPT)
Act 265 of 1964

***** 451.814 THIS SECTION IS REPEALED BY ACT 551 OF 2008 EFFECTIVE OCTOBER 1, 2009

451.814 Provisions applicable to offer to sell or buy; what constitutes making or accepting offer to sell or buy; filing irrevocable consent; administrator or successor as attorney to receive service of process; effecting service of process; prohibited conduct as equivalent to appointment of administrator or successor as attorney; continuance.

Sec. 414. (a) Sections 101, 201(a), 301, 405, and 410 apply to persons who sell or offer to sell when an offer to sell is made in this state, or an offer to buy is made and accepted in this state.

(b) Sections 101, 201(a), and 405 apply to persons who buy or offer to buy when an offer to buy is made in this state, or an offer to sell is made and accepted in this state.

(c) For the purpose of this section, an offer to sell or to buy is made in this state, whether or not either party is then present in this state, when the offer originates from this state, or is directed by the offeror to this state and received at the place to which it is directed or at any post office in this state in the case of a mailed offer.

(d) For the purpose of this section, an offer to buy or to sell is accepted in this state when acceptance is communicated to the offeror in this state and has not previously been communicated to the offeror, orally or in writing, outside this state; and acceptance is communicated to the offeror in this state, whether or not either party is then present in this state, when the offeree directs it to the offeror in this state reasonably believing the offeror to be in this state and it is received at the place to which it is directed, or at any post office in this state in the case of a mailed acceptance.

(e) An offer to sell or to buy is not made in this state when the publisher circulates or there is circulated on his or her behalf in this state any bona fide newspaper or other publication of general, regular, and paid circulation which is not published in this state, or which is published in this state but has had more than 2/3 of its circulation outside this state during the past 12 months, or a radio or television program originating outside this state is received in this state.

(f) Sections 102 and 201(c), as well as section 405 so far as investment advisers are concerned, apply when any act instrumental in effecting prohibited conduct is done in this state, whether or not either party is then present in this state.

(g) Every applicant for registration under this act, every person submitting a notice filing under section 202a or 308, and every issuer which proposes to offer a security in this state through any person acting on an agency basis in the common-law sense shall file with the administrator, in a form as the administrator by rule prescribes, an irrevocable consent appointing the administrator or its successor in office to be his or her attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against him or her or his or her successor executor or administrator which arises under this act or any rule or order hereunder after the consent has been filed, with the same force and validity as if served personally on the person filing the consent. A person who has filed a consent in connection with a previous registration or notice filing need not file another. Service may be made by leaving a copy of the process in the office of the administrator, but it is not effective unless the plaintiff, who may be the administrator in a suit, action, or proceeding instituted by it, promptly sends notice of the service and a copy of the process by registered mail to the defendant or respondent at his or her last address on file with the administrator, and the plaintiff's affidavit of compliance with this subsection is filed in the case on or before the return day of the process, if any, or within a further time that the court allows.

(h) When a person, including a nonresident of this state, engages in conduct prohibited or made actionable by this act or any rule or order hereunder, and he or she has not filed a consent to service of process under subsection (g) and personal jurisdiction over him or her cannot otherwise be obtained in this state, that conduct shall be considered equivalent to his or her appointment of the administrator or its successor in office to be his or her attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against him or her or his or her successor executor or administrator which grows out of that conduct and which is brought under this act or any rule or order hereunder, with the same force and validity as if served on him or her personally. Service may be made by leaving a copy of the process in the office of the administrator, and it is not effective unless the plaintiff, who may be the administrator in a suit, action, or proceeding instituted by it, promptly sends notice of the service and a copy of the process by registered mail to the defendant or respondent at his or her last known address or takes other steps which are reasonably calculated to give actual notice, and the plaintiff's affidavit of compliance with this subsection is filed in the case on or before the return day of the process, if any, or within a further time that the court allows.

(i) When process is served under this section, the court, or the administrator in a proceeding before it, shall order a continuance as may be necessary to afford the defendant or respondent reasonable opportunity to defend.

History: 1964, Act 265, Eff. Jan. 1, 1965;—Am. 1975, Act 31, Imd. Eff. May 1, 1975;—Am. 2000, Act 494, Imd. Eff. Jan. 11, 2001.