

February 28, 1961

Mr. Joe Sotelo
Director of Securities
Arizona Corporation Commission
Capitol Annex
Phoenix, Arizona

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ARIZONA ATTORNEY GENERAL

Dear Mr. Sotelo:

This will acknowledge receipt of your letter dated October 27, 1960, in which you request an opinion as to whether or not a thrift company may use the proceeds from the sale of book-plan certificates in out-of-state transactions and business ventures.

I have researched the Arizona law on this matter and particularly Title 44, Chapter 12, Arizona Revised Statutes, Sales of Securities, including Article 17, Thrift Companies, and Title 10, Chapter 1, Arizona Revised Statutes, General Corporation Law.

I found nothing in the Arizona law which would tend to preclude a thrift company from using the proceeds from the sale of book-plan investment certificates in out-of-state transactions and business ventures.

In the event of an enforcement action by the Securities Division against such thrift company, it would probably be necessary for the creation of ancillary receiverships in the foreign jurisdictions if a receiver is appointed in Arizona.

This opinion does not decide whether or not such transactions would be unfair or inequitable to the purchasers or ultra vires on the part of the corporation.

Therefore, it is the opinion of the Attorney General that Arizona law does not preclude a thrift company from using the proceeds from the sale of book-plan investment certificates in out-of-state transactions and business ventures.

We trust this will assist you in your problem.

Very truly yours,

ROBERT W. PICKRELL
Attorney General

ALVIN LARSON
Assistant Attorney General

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