



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

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Notice of Proposed Rulemaking to Require Notice Filings in Connection with Offerings of Securities Made Under Federal Crowdfunding Rules

April 28, 2016

We are writing to inform interested persons that the Securities Division is soliciting comments on proposed rules to require notice filings of crowdfunding offerings made under new federal rules.

Title III of the Jumpstart Our Business Startups (JOBS) Act amended Section 4 of the Securities Act of 1933 to create a new federal exemption for offerings of securities in crowdfunding campaigns. On October 30, 2015, the Securities and Exchange Commission adopted final rules that will implement this new exemption. *See* Regulation Crowdfunding, Release Nos. 33-9974; 34-76324, *available at* <http://www.sec.gov/rules/final/2015/33-9974.pdf>. The JOBS Act further amended Securities Act Section 18(b)(4) to preempt the ability of states to require registration of crowdfunding offerings conducted pursuant to federal law. However, states retain the authority to require notice filings of crowdfunding offerings if a state is the principal place of business of the issuer or if a state is home to purchasers of 50% or more of the aggregate value of the securities offered in the crowdfunding campaign. The Securities Division is now proposing rules to require the filing of a notice filing form, a consent to service of process, and the fees that would otherwise be required in connection with the registration of these securities offerings but for preemption by the Securities and Exchange Commission.

The notice of Proposed Rule Making (Form CR-102) and the text of the proposed rules were filed with the Office of the Code Reviser for publication in the Washington State Register on May 18, 2016 (Issue # 16-10). The notice of Proposed Rule Making, text of the proposed rules, and draft notice filing form are available on our website at <http://www.dfi.wa.gov/rulemaking/notice-filing-requirements-connection-federal-crowdfunding-rules>. You may submit written comments on the proposed rules and/or the draft notice filing form to the undersigned by email or postal mail at the addresses listed in the notice of Proposed Rule Making. Comments should be submitted by June 7, 2016.

If you have questions, please contact the undersigned by telephone at (360) 902-8797 or by email at Nathan.Quigley@dfi.wa.gov.

Sincerely,

Nathan Quigley
Securities Division