



RULE-MAKING ORDER

CR-103P (May 2009)
(Implements RCW 34.05.360)

Agency: Department of Financial Institutions, Securities Division

Permanent Rule Only

Effective date of rule:

Permanent Rules

31 days after filing.

Other (specify) _____ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?

Yes No If Yes, explain:

Purpose: The Securities Division is hereby adopting a rule to preserve filing requirements in connection with offerings of securities made under Tier 2 of the Securities and Exchange Commission's newly adopted rules for Regulation A offerings. The final rule will be codified at WAC 460-18A-200. On March 25, 2015, the Securities and Exchange Commission adopted final rules providing for a federal exemption from registration for offerings of securities of up to \$50 million as authorized by the JOBS Act of 2012. See Amendments to Regulation A, Securities Act Release Nos. 33-9741, 34-74578, 39-2501, available at <http://www.sec.gov/rules/final/2015/33-9741.pdf>. These rules adopted a definition of "qualified purchaser" pursuant to Sec. 18(b)(3) of the Securities Act of 1933 that extends to "any person to whom securities are offered or sold" in offerings of up to \$50 million in a Tier 2 offering under federal Regulation A. While the effect of defining a "qualified purchaser" in this manner is to preempt the states from requiring registration of these smaller and less regulated offerings, states retain the authority to require the filing of offering materials, a consent to service of process, and fees that would otherwise be required in the absence of preemption. The Securities Division is now adopting a rule 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.

Citation of existing rules affected by this order:

Repealed:
Amended:
Suspended:

Statutory authority for adoption: RCW 21.20.327, 21.20.340, 21.20.450

Other authority :

PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as WSR 15-15-038 on July 8, 2015 (date).

Describe any changes other than editing from proposed to adopted version:

In response to comments received in response to the notice of proposed rule-making, the text of the proposed rule was revised to move the deadline by which the required notice filing must be submitted from a date "prior to the initial offer in this state" to a date that is "at least twenty-one calendar days prior to the initial sale in this state."

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name: _____ phone () _____
Address: _____ fax () _____
e-mail _____

Date adopted: September 16, 2015

NAME (TYPE OR PRINT)

Scott Jarvis

SIGNATURE

TITLE

Director

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: September 16, 2015
TIME: 3:52 PM

WSR 15-19-092

**Note: If any category is left blank, it will be calculated as zero.
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.
A section may be counted in more than one category.**

The number of sections adopted in order to comply with:

Federal statute:	New	_____	Amended	_____	Repealed	_____
Federal rules or standards:	New	<u>1</u>	Amended	_____	Repealed	_____
Recently enacted state statutes:	New	_____	Amended	_____	Repealed	_____

The number of sections adopted at the request of a nongovernmental entity:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted in the agency's own initiative:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted using:

Negotiated rule making:	New	_____	Amended	_____	Repealed	_____
Pilot rule making:	New	_____	Amended	_____	Repealed	_____
Other alternative rule making:	New	_____	Amended	_____	Repealed	_____