Regulation D
(Outline prepared August 13, 2013; Updated December 5, 2013)

1. The offer and sale of securities must be registered or exempt from the Securities Act of 1933.
   • Regulation D: Rule 506--unlimited sales to accredited investors plus, if required information
     provided, up to 35 others.
   • Rule 144A (resales).

2. JOBS Act Section 201: “the Securities and Exchange Commission shall revise its rules . . . , to
   provide that the prohibition against general solicitation or general advertising contained in section
   230.502(c) of such title shall not apply to offers and sales of securities made pursuant to section 230.506,
   provided that all purchasers of the securities are accredited investors. Such rules shall require the issuer to
   take reasonable steps to verify that purchasers of the securities are accredited investors, using such
   methods as determined by the Commission.” Section 201 also amended Section 4 of the Securities Act of
   1933 (see attached).

3. General solicitation permitted effective September 23, 2013 if sales are made only to accredited
   • “Reasonable steps” to verify sales under 506(c) are made to accredited investors. Facts and
     circumstances; four non-exclusive methods provided:
     • IRS records (income test)
     • Bank statements plus representation about debts (net worth test)
     • Written confirmation from outside professional that investigated (attorney, CPA,
       registered broker-dealer or investment adviser)
     • Bring down certificate from prior accredited investor before 506(c) adopted (grandfather
       clause).

4. Proposed rules to implement Rule 506 safeguards (SEC Release:
   although comments were posted after that date.
   • File Form D 15 days before general solicitation.
   • File “closing” amendment.
   • Expanded Form D disclosures.
   • Legend offering materials.
   • Temporary rule – for two years after rule adoption, submit advertising materials to SEC.
     • If you failed to timely file a Form D anytime in the last five years, you may not
       rely on Rule 506 for one year after the required filing.

5. “Bad Actor” rules effective September 23, 2013 (SEC Release:
SECURITIES ACT OF 1933

[AS AMENDED THROUGH P.L. 112-106, APPROVED APRIL 5, 2012]

Changes adopted by the JOBS Act

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EXEMPTED TRANSACTIONS

SEC. 4. (a) The provisions of section 5 shall not apply to—

(1) transactions by any person other than an issuer, underwriter, or dealer.

(2) transactions by an issuer not involving any public offering.

(3) transactions by a dealer (including an underwriter no longer acting as an underwriter in respect of the security involved in such transaction), except—

(A) transactions taking place prior to the expiration of forty days after the first date upon which the security was bona fide offered to the public by the issuer or by or through an underwriter,

(B) transactions in a security as to which a registration statement has been filed taking place prior to the expiration of forty days after the effective date of such registration statement or prior to the expiration of forty days after the first date upon which the security was bona fide offered to the public by the issuer or by or through an underwriter after such effective date, whichever is later (excluding in the computation of such forty days any time during which a stop order issued under section 8 is in effect as to the security), or such shorter period as the Commission may specify by rules and regulations or order, and

(C) transactions as to securities constituting the whole or a part of an unsold allotment to or subscription by such dealer as a participant in the distribution of such securities by the issuer or by or through an underwriter.

With respect to transactions referred to in clause (B), if securities of the issuer have not previously been sold pursuant to an earlier effective registration statement the applicable period, instead of forty days, shall be ninety days, or such shorter period as the Commission may specify by rules and regulations or order.

(4) brokers’ transactions executed upon customers’ orders on any exchange or in the over-the-counter market but not the solicitation of such orders.

(5) transactions involving offers or sales by an issuer solely to one or more accredited investors, if the aggregate offering price of an issue of securities offered in reliance on this paragraph does not exceed the amount allowed under section 3(b)(1) of this title, if there is no
advertising or public solicitation in connection with the transaction by the issuer or anyone acting on the issuer’s behalf, and if the issuer files such notice with the Commission as the Commission shall prescribe.

(6) transactions involving the offer or sale of securities by an issuer (including all entities controlled by or under common control with the issuer), provided that—

(A) the aggregate amount sold to all investors by the issuer, including any amount sold in reliance on the exemption provided under this paragraph during the 12-month period preceding the date of such transaction, is not more than $1,000,000;

(B) the aggregate amount sold to any investor by an issuer, including any amount sold in reliance on the exemption provided under this paragraph during the 12-month period preceding the date of such transaction, does not exceed—

(i) the greater of $2,000 or 5 percent of the annual income or net worth of such investor, as applicable, if either the annual income or the net worth of the investor is less than $100,000; and

(ii) 10 percent of the annual income or net worth of such investor, as applicable, not to exceed a maximum aggregate amount sold of $100,000, if either the annual income or net worth of the investor is equal to or more than $100,000;

(C) the transaction is conducted through a broker or funding portal that complies with the requirements of section 4A(a); and

(D) the issuer complies with the requirements of section 4A(b).

(b)[5] Offers and sales exempt under section 230.506 of title 17, Code of Federal Regulations (as revised pursuant to section 201 of the Jumpstart Our Business Startups Act) shall not be deemed public offerings under the Federal securities laws as a result of general advertising or general solicitation.

(b)(1)[5] With respect to securities offered and sold in compliance with Rule 506 of Regulation D under this Act, no person who meets the conditions set forth in paragraph (2) shall be subject to registration as a broker or dealer pursuant to section 15(a)(1) of this title, [6] solely because—

(A) that person maintains a platform or mechanism that permits the offer, sale, purchase, or negotiation of or with respect to securities, or permits general solicitations, general advertisements, or similar or related activities by issuers of such securities, whether online, in person, or through any other means;

5 Two subsec. (b) have been enacted.

6 Probably should be a reference to section 15(a)(1) of the Securities Exchange Act of 1934.
(B) that person or any person associated with that person co-invests in such securities; or

(C) that person or any person associated with that person provides ancillary services with respect to such securities.

(2) The exemption provided in paragraph (1) shall apply to any person described in such paragraph if—

(A) such person and each person associated with that person receives no compensation in connection with the purchase or sale of such security;

(B) such person and each person associated with that person does not have possession of customer funds or securities in connection with the purchase or sale of such security; and

(C) such person is not subject to a statutory disqualification as defined in section 3(a)(39)[7] of this title and does not have any person associated with that person subject to such a statutory disqualification.

(3) For the purposes of this subsection, the term ‘‘ancillary services’’ means—

(A) the provision of due diligence services, in connection with the offer, sale, purchase, or negotiation of such security, so long as such services do not include, for separate compensation, investment advice or recommendations to issuers or investors; and

(B) the provision of standardized documents to the issuers and investors, so long as such person or entity does not negotiate the terms of the issuance for and on behalf of third parties and issuers are not required to use the standardized documents as a condition of using the service.

Regulation D
(Prepared August 13, 2013)

= Changes effective September 23, 2013
= Proposed changes

§230.500 Use of Regulation D.

Users of Regulation D (§§230.500 et seq.) should note the following:

(a) Regulation D relates to transactions exempted from the registration requirements of section 5 of the Securities Act of 1933 (the Act) (15 U.S.C. 77a et seq., as amended). Such transactions are not exempt from the antifraud, civil liability, or other provisions of the federal securities laws. Issuers are reminded of their obligation to provide such further material information, if any, as may be necessary to make the information required under Regulation D, in light of the circumstances under which it is furnished, not misleading.

(b) Nothing in Regulation D obviates the need to comply with any applicable state law relating to the offer and sale of securities. Regulation D is intended to be a basic element in a uniform system of federal-state limited offering exemptions consistent with the provisions of sections 18 and 19(c) of the Act (15 U.S.C. 77r and 77(s)(c)). In those states that have adopted Regulation D, or any version of Regulation D, special attention should be directed to the applicable state laws and regulations, including those relating to registration of persons who receive remuneration in connection with the offer and sale of securities, to disqualification of issuers and other persons associated with offerings based on state administrative orders or judgments, and to requirements for filings of notices of sales.

(c) Attempted compliance with any rule in Regulation D does not act as an exclusive election; the issuer can also claim the availability of any other applicable exemption. For instance, an issuer's failure to satisfy all the terms and conditions of rule 506(b) (§230.506(b)) shall not raise any presumption that the exemption provided by section 4(a)(2) of the Act (15 U.S.C. 77d(2)) is not available.

(d) Regulation D is available only to the issuer of the securities and not to any affiliate of that issuer or to any other person for resales of the issuer's securities. Regulation D provides an exemption only for the transactions in which the securities are offered or sold by the issuer, not for the securities themselves.

(e) Regulation D may be used for business combinations that involve sales by virtue of rule 145(a) (§230.145(a)) or otherwise.

(f) In view of the objectives of Regulation D and the policies underlying the Act, Regulation D is not available to any issuer for any transaction or chain of transactions that, although in technical compliance with Regulation D, is part of a plan or scheme to evade the registration provisions of the Act. In such cases, registration under the Act is required.
(g) Securities offered and sold outside the United States in accordance with Regulation S (§230.901 through 905) need not be registered under the Act. See Release No. 33-6863. Regulation S may be relied upon for such offers and sales even if coincident offers and sales are made in accordance with Regulation D inside the United States. Thus, for example, persons who are offered and sold securities in accordance with Regulation S would not be counted in the calculation of the number of purchasers under Regulation D. Similarly, proceeds from such sales would not be included in the aggregate offering price. The provisions of this paragraph (g), however, do not apply if the issuer elects to rely solely on Regulation D for offers or sales to persons made outside the United States.

§230.501 Definitions and terms used in Regulation D.

As used in Regulation D (§230.500 et seq. of this chapter), the following terms shall have the meaning indicated:

(a) Accredited investor. Accredited investor shall mean any person who comes within any of the following categories, or who the issuer reasonably believes comes within any of the following categories, at the time of the sale of the securities to that person:

(1) Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance company as defined in section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(2) Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

(3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000;

(4) Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;
(5) Any natural person whose individual net worth, or joint net worth with that person's spouse, exceeds $1,000,000.

(i) Except as provided in paragraph (a)(5)(ii) of this section, for purposes of calculating net worth under this paragraph (a)(5):

(A) The person's primary residence shall not be included as an asset;

(B) Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(C) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;

(ii) Paragraph (a)(5)(i) of this section will not apply to any calculation of a person's net worth made in connection with a purchase of securities in accordance with a right to purchase such securities, provided that:

(A) Such right was held by the person on July 20, 2010;

(B) The person qualified as an accredited investor on the basis of net worth at the time the person acquired such right; and

(C) The person held securities of the same issuer, other than such right, on July 20, 2010.

(6) Any natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

(7) Any trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in §230.506(b)(2)(ii); and

(8) Any entity in which all of the equity owners are accredited investors.

(b) Affiliate. An affiliate of, or person affiliated with, a specified person shall mean a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.
(c) Aggregate offering price. Aggregate offering price shall mean the sum of all cash, services, property, notes, cancellation of debt, or other consideration to be received by an issuer for issuance of its securities. Where securities are being offered for both cash and non-cash consideration, the aggregate offering price shall be based on the price at which the securities are offered for cash. Any portion of the aggregate offering price attributable to cash received in a foreign currency shall be translated into United States currency at the currency exchange rate in effect at a reasonable time prior to or on the date of the sale of the securities. If securities are not offered for cash, the aggregate offering price shall be based on the value of the consideration as established by bona fide sales of that consideration made within a reasonable time, or, in the absence of sales, on the fair value as determined by an accepted standard. Such valuations of non-cash consideration must be reasonable at the time made.

(d) Business combination. Business combination shall mean any transaction of the type specified in paragraph (a) of Rule 145 under the Act (17 CFR 230.145) and any transaction involving the acquisition by one issuer, in exchange for all or a part of its own or its parent's stock, of stock of another issuer if, immediately after the acquisition, the acquiring issuer has control of the other issuer (whether or not it had control before the acquisition).

(e) Calculation of number of purchasers. For purposes of calculating the number of purchasers under §§230.505(b) and 230.506(b) only, the following shall apply:

(1) The following purchasers shall be excluded:

   (i) Any relative, spouse or relative of the spouse of a purchaser who has the same primary residence as the purchaser;

   (ii) Any trust or estate in which a purchaser and any of the persons related to him as specified in paragraph (e)(1)(i) or (e)(1)(iii) of this section collectively have more than 50 percent of the beneficial interest (excluding contingent interests);

   (iii) Any corporation or other organization of which a purchaser and any of the persons related to him as specified in paragraph (e)(1)(i) or (e)(1)(ii) of this section collectively are beneficial owners of more than 50 percent of the equity securities (excluding directors' qualifying shares) or equity interests; and

   (iv) Any accredited investor.

(2) A corporation, partnership or other entity shall be counted as one purchaser. If, however, that entity is organized for the specific purpose of acquiring the securities offered and is not an accredited investor under paragraph (a)(8) of this section, then each beneficial owner of equity securities or equity interests in the entity shall count as a separate purchaser for all provisions of Regulation D (§§230.501-230.508), except to the extent provided in paragraph (e)(1) of this section.
(3) A non-contributory employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974 shall be counted as one purchaser where the trustee makes all investment decisions for the plan.

NOTE: The issuer must satisfy all the other provisions of Regulation D for all purchasers whether or not they are included in calculating the number of purchasers. Clients of an investment adviser or customers of a broker or dealer shall be considered the “purchasers” under Regulation D regardless of the amount of discretion given to the investment adviser or broker or dealer to act on behalf of the client or customer.

(f) Executive officer. Executive officer shall mean the president, any vice president in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy making function, or any other person who performs similar policy making functions for the issuer. Executive officers of subsidiaries may be deemed executive officers of the issuer if they perform such policy making functions for the issuer.

(g) Final order. Final order shall mean a written directive or declaratory statement issued by a federal or state agency described in §230.506(d)(1)(iii) under applicable statutory authority that provides for notice and an opportunity for hearing, which constitutes a final disposition or action by that federal or state agency.

(h) Issuer. The definition of the term issuer in section 2(a)(4) of the Act shall apply, except that in the case of a proceeding under the Federal Bankruptcy Code (11 U.S.C. 101 et seq.), the trustee or debtor in possession shall be considered the issuer in an offering under a plan or reorganization, if the securities are to be issued under the plan.

(i) Purchaser representative. Purchaser representative shall mean any person who satisfies all of the following conditions or who the issuer reasonably believes satisfies all of the following conditions:

(1) Is not an affiliate, director, officer or other employee of the issuer, or beneficial owner of 10 percent or more of any class of the equity securities or 10 percent or more of the equity interest in the issuer, except where the purchaser is:

(i) A relative of the purchaser representative by blood, marriage or adoption and not more remote than a first cousin;

(ii) A trust or estate in which the purchaser representative and any persons related to him as specified in paragraph (h)(1)(i) or (h)(1)(ii) of this section collectively have more than 50 percent of the beneficial interest (excluding contingent interest) or of which the purchaser representative serves as trustee, executor, or in any similar capacity; or

(iii) A corporation or other organization of which the purchaser representative and any persons related to him as specified in paragraph (h)(1)(i) or (h)(1)(ii) of this section collectively are the beneficial owners of more than 50 percent of the equity securities (excluding directors' qualifying shares) or equity interests;
(2) Has such knowledge and experience in financial and business matters that he is capable of evaluating, alone, or together with other purchaser representatives of the purchaser, or together with the purchaser, the merits and risks of the prospective investment;

(3) Is acknowledged by the purchaser in writing, during the course of the transaction, to be his purchaser representative in connection with evaluating the merits and risks of the prospective investment; and

(4) Discloses to the purchaser in writing a reasonable time prior to the sale of securities to that purchaser any material relationship between himself or his affiliates and the issuer or its affiliates that then exists, that is mutually understood to be contemplated, or that has existed at any time during the previous two years, and any compensation received or to be received as a result of such relationship.

NOTE 1: A person acting as a purchaser representative should consider the applicability of the registration and antifraud provisions relating to brokers and dealers under the Securities Exchange Act of 1934 (Exchange Act) (15 U.S.C. 78a et seq., as amended) and relating to investment advisers under the Investment Advisers Act of 1940.

NOTE 2: The acknowledgment required by paragraph (h)(3) and the disclosure required by paragraph (h)(4) of this section must be made with specific reference to each prospective investment. Advance blanket acknowledgment, such as for all securities transactions or all private placements, is not sufficient.

NOTE 3: Disclosure of any material relationships between the purchaser representative or his affiliates and the issuer or its affiliates does not relieve the purchaser representative of his obligation to act in the interest of the purchaser.

§230.502 General conditions to be met.

The following conditions shall be applicable to offers and sales made under Regulation D (§230.500 et seq. of this chapter):

(a) Integration. All sales that are part of the same Regulation D offering must meet all of the terms and conditions of Regulation D. Offers and sales that are made more than six months before the start of a Regulation D offering or are made more than six months after completion of a Regulation D offering will not be considered part of that Regulation D offering, so long as during those six month periods there are no offers or sales of securities by or for the issuer that are of the same or a similar class as those offered or sold under Regulation D, other than those offers or sales of securities under an employee benefit plan as defined in rule 405 under the Act (17 CFR 230.405).

NOTE: The term offering is not defined in the Act or in Regulation D. If the issuer offers or sells securities for which the safe harbor rule in paragraph (a) of this §230.502 is unavailable, the determination as to whether separate sales of securities are part of the same offering (i.e., are
considered *integrated*) depends on the particular facts and circumstances. Generally, transactions otherwise meeting the requirements of an exemption will not be integrated with simultaneous offerings being made outside the United States in compliance with Regulation S. See Release No. 33-6863.

The following factors should be considered in determining whether offers and sales should be integrated for purposes of the exemptions under Regulation D:

(a) Whether the sales are part of a single plan of financing;

(b) Whether the sales involve issuance of the same class of securities;

(c) Whether the sales have been made at or about the same time;

(d) Whether the same type of consideration is being received; and

(e) Whether the sales are made for the same general purpose.

(b) *Information requirements* —(1) When information must be furnished. If the issuer sells securities under §230.505 or §230.506(b) to any purchaser that is not an accredited investor, the issuer shall furnish the information specified in paragraph (b)(2) of this section to such purchaser a reasonable time prior to sale. The issuer is not required to furnish the specified information to purchasers when it sells securities under §230.504, or to any accredited investor.

NOTE: When an issuer provides information to investors pursuant to paragraph (b)(1), it should consider providing such information to accredited investors as well, in view of the anti-fraud provisions of the federal securities laws.

(2) Type of information to be furnished. (i) If the issuer is not subject to the reporting requirements of section 13 or 15(d) of the Exchange Act, at a reasonable time prior to the sale of securities the issuer shall furnish to the purchaser, to the extent material to an understanding of the issuer, its business and the securities being offered:

(A) *Non-financial statement information.* If the issuer is eligible to use Regulation A (§230.251-263), the same kind of information as would be required in Part II of Form 1-A (§239.90 of this chapter). If the issuer is not eligible to use Regulation A, the same kind of information as required in Part I of a registration statement filed under the Securities Act on the form that the issuer would be entitled to use.

(B) *Financial statement information* —(1) *Offerings up to $2,000,000.* The information required in Article 8 of Regulation S-X (§210.8 of this chapter), except that only the issuer's balance sheet, which shall be dated within 120 days of the start of the offering, must be audited.
(2) Offerings up to $7,500,000. The financial statement information required in Form S-1 (§239.10 of this chapter) for smaller reporting companies. If an issuer, other than a limited partnership, cannot obtain audited financial statements without unreasonable effort or expense, then only the issuer's balance sheet, which shall be dated within 120 days of the start of the offering, must be audited. If the issuer is a limited partnership and cannot obtain the required financial statements without unreasonable effort or expense, it may furnish financial statements that have been prepared on the basis of Federal income tax requirements and examined and reported on in accordance with generally accepted auditing standards by an independent public or certified accountant.

(3) Offerings over $7,500,000. The financial statement as would be required in a registration statement filed under the Act on the form that the issuer would be entitled to use. If an issuer, other than a limited partnership, cannot obtain audited financial statements without unreasonable effort or expense, then only the issuer's balance sheet, which shall be dated within 120 days of the start of the offering, must be audited. If the issuer is a limited partnership and cannot obtain the required financial statements without unreasonable effort or expense, it may furnish financial statements that have been prepared on the basis of Federal income tax requirements and examined and reported on in accordance with generally accepted auditing standards by an independent public or certified accountant.

(C) If the issuer is a foreign private issuer eligible to use Form 20-F (§249.220f of this chapter), the issuer shall disclose the same kind of information required to be included in a registration statement filed under the Act on the form that the issuer would be entitled to use. The financial statements need be certified only to the extent required by paragraph (b)(2)(i)(B)(1), (2) or (3) of this section, as appropriate.

(ii) If the issuer is subject to the reporting requirements of section 13 or 15(d) of the Exchange Act, at a reasonable time prior to the sale of securities the issuer shall furnish to the purchaser the information specified in paragraph (b)(2)(ii)(A) or (B) of this section, and in either event the information specified in paragraph (b)(2)(ii)(C) of this section:

(A) The issuer's annual report to shareholders for the most recent fiscal year, if such annual report meets the requirements of Rules 14a-3 or 14c-3 under the Exchange Act (§240.14a-3 or §240.14c-3 of this chapter), the definitive proxy statement filed in connection with that annual report, and if requested by the purchaser in writing, a copy of the issuer's most recent Form 10-K (§249.310 of this chapter) under the Exchange Act.

(B) The information contained in an annual report on Form 10-K (§249.310 of this chapter) under the Exchange Act or in a registration statement on Form S-1 (§239.11 of this chapter) or S-11 (§239.18 of this chapter) under the Act or on Form 10 (§249.210 of this chapter) under the Exchange Act, whichever filing is the most recent required to be filed.

(C) The information contained in any reports or documents required to be filed by the issuer under sections 13(a), 14(a), 14(c), and 15(d) of the Exchange Act since the distribution or filing of the report or registration statement specified in paragraphs (b)(2)(ii) (A)
or (B), and a brief description of the securities being offered, the use of the proceeds from the offering, and any material changes in the issuer's affairs that are not disclosed in the documents furnished.

(D) If the issuer is a foreign private issuer, the issuer may provide in lieu of the information specified in paragraph (b)(2)(ii)(A) or (B) of this section, the information contained in its most recent filing on Form 20-F or Form F-1 (§239.31 of the chapter).

(iii) Exhibits required to be filed with the Commission as part of a registration statement or report, other than an annual report to shareholders or parts of that report incorporated by reference in a Form 10-K report, need not be furnished to each purchaser that is not an accredited investor if the contents of material exhibits are identified and such exhibits are made available to a purchaser, upon his or her written request, a reasonable time before his or her purchase.

(iv) At a reasonable time prior to the sale of securities to any purchaser that is not an accredited investor in a transaction under §230.505 or §230.506(b), the issuer shall furnish to the purchaser a brief description in writing of any material written information concerning the offering that has been provided by the issuer to any accredited investor but not previously delivered to such unaccredited purchaser. The issuer shall furnish any portion or all of this information to the purchaser, upon his written request a reasonable time prior to his purchase.

(v) The issuer shall also make available to each purchaser at a reasonable time prior to his purchase of securities in a transaction under §230.505 or §230.506(b) the opportunity to ask questions and receive answers concerning the terms and conditions of the offering and to obtain any additional information which the issuer possesses or can acquire without unreasonable effort or expense that is necessary to verify the accuracy of information furnished under paragraph (b)(2)(i) or (ii) of this section.

(vi) For business combinations or exchange offers, in addition to information required by Form S-4 (17 CFR 239.25), the issuer shall provide to each purchaser at the time the plan is submitted to security holders, or, with an exchange, during the course of the transaction and prior to sale, written information about any terms or arrangements of the proposed transactions that are materially different from those for all other security holders. For purposes of this subsection, an issuer which is not subject to the reporting requirements of section 13 or 15(d) of the Exchange Act may satisfy the requirements of Part I.B. or C. of Form S-4 by compliance with paragraph (b)(2)(i) of this §230.502.

(vii) At a reasonable time prior to the sale of securities to any purchaser that is not an accredited investor in a transaction under §230.505 or §230.506(b), the issuer shall advise the purchaser of the limitations on resale in the manner contained in paragraph (d)(2) of this section. Such disclosure may be contained in other materials required to be provided by this paragraph.

(c) Limitation on manner of offering. Except as provided in §230.504(b)(1) or §230.506(c), neither the issuer nor any person acting on its behalf shall offer or sell the securities by any form of general solicitation or general advertising, including, but not limited to, the following:
(1) Any advertisement, article, notice or other communication published in any newspaper, magazine, or similar media or broadcast over television or radio; and

(2) Any seminar or meeting whose attendees have been invited by any general solicitation or general advertising; Provided, however, that publication by an issuer of a notice in accordance with §230.135c or filing with the Commission by an issuer of a notice of sales on Form D (17 CFR 239.500) in which the issuer has made a good faith and reasonable attempt to comply with the requirements of such form, shall not be deemed to constitute general solicitation or general advertising for purposes of this section; Provided further, that, if the requirements of §230.135e are satisfied, providing any journalist with access to press conferences held outside of the United States, to meetings with issuer or selling security holder representatives conducted outside of the United States, or to written press-related materials released outside the United States, at or in which a present or proposed offering of securities is discussed, will not be deemed to constitute general solicitation or general advertising for purposes of this section.

(d) Limitations on resale. Except as provided in §230.504(b)(1), securities acquired in a transaction under Regulation D shall have the status of securities acquired in a transaction under section 4(a)(2) of the Act and cannot be resold without registration under the Act or an exemption therefrom. The issuer shall exercise reasonable care to assure that the purchasers of the securities are not underwriters within the meaning of section 2(a)(11) of the Act, which reasonable care may be demonstrated by the following:

(1) Reasonable inquiry to determine if the purchaser is acquiring the securities for himself or for other persons;

(2) Written disclosure to each purchaser prior to sale that the securities have not been registered under the Act and, therefore, cannot be resold unless they are registered under the Act or unless an exemption from registration is available; and

(3) Placement of a legend on the certificate or other document that evidences the securities stating that the securities have not been registered under the Act and setting forth or referring to the restrictions on transferability and sale of the securities.

While taking these actions will establish the requisite reasonable care, it is not the exclusive method to demonstrate such care. Other actions by the issuer may satisfy this provision. In addition, §230.502(b)(2)(vii) requires the delivery of written disclosure of the limitations on resale to investors in certain instances.

§230.503 Filing of notice of sales.

(a) When notice of sales on Form D is required and permitted to be filed. (1) An issuer that intends to offer or sell securities in reliance on §230.506(c), and has not previously filed a notice under paragraph (a)(2) of this section of such intended offering in reliance on §230.506(c), must file with the Commission, no later than 15 calendar days prior to the first use of general solicitation or general advertising for such offering, a notice of sales containing the following information required by Form D (17 CFR 239.500) for such offering:
(i) The issuer’s identity (Item 1);

(ii) Principal place of business and contact information (Item 2);

(iii) Related persons (Item 3);

(iv) Industry group (Item 4);

(v) Federal exemptions and exclusions claimed (Item 6);

(vi) Type of filing (Item 7);

(vii) Type(s) of Securities Offered (Item 9);

(viii) Business combination transaction (Item 10);

(ix) Sales compensation (Item 12); and

(x) Use of proceeds (Item 16).

(42) An issuer offering or selling securities in reliance on §230.504, §230.505, or §230.506 (other than an issuer that has previously filed a notice for such offering under paragraph (a)(1) of this section) must file with the Commission a notice of sales containing the information required by Form D (17 CFR 239.500) for each new offering of securities no later than 15 calendar days after the first sale of securities in the offering, unless the end of that period falls on a Saturday, Sunday or holiday, in which case the due date would be the first business day following.

(23) An issuer may file an amendment to a previously filed notice of sales on Form D at any time.

(34) An issuer must file an amendment to a previously filed notice of sales on Form D for an offering:

(i) To correct a material mistake of fact or error in the previously filed notice of sales on Form D, as soon as practicable after discovery of the mistake or error;

(ii) To reflect a change in the information provided in the previously filed notice of sales on Form D, as soon as practicable after the change, except that no amendment is required to reflect a change that occurs after the offering terminates or a change that occurs solely in the following information:

(A) The address or relationship to the issuer of a related person identified in response to Item 3 of the notice of sales on Form D;
(B) An issuer's revenues or aggregate net asset value;

(C) The minimum investment amount, if the change is an increase, or if the change, together with all other changes in that amount since the previously filed notice of sales on Form D, does not result in a decrease of more than 10%;

(D) Any address or state(s) of solicitation shown in response to Item 12 of the notice of sales on Form D;

(E) The total offering amount, if the change is a decrease, or if the change, together with all other changes in that amount since the previously filed notice of sales on Form D, does not result in an increase of more than 10%;

(F) The amount of securities sold in the offering or the amount remaining to be sold;

(G) The number of non-accredited investors who have invested in the offering, as long as the change does not increase the number to more than 35;

(H) The total number of investors who have invested in the offering; or

(I) The amount of sales commissions, finders' fees or use of proceeds for payments to executive officers, directors or promoters, if the change is a decrease, or if the change, together with all other changes in that amount since the previously filed notice of sales on Form D, does not result in an increase of more than 10%; and

(iii) Annually, on or before the first anniversary of the filing of the notice of sales on Form D or the filing of the most recent amendment to the notice of sales on Form D, if the offering is continuing at that time;

(iv) To contain the information required by Form D for such offering of securities in reliance on §230.506(c), if the issuer is offering or selling securities in reliance on §230.506(c) and has previously filed the notice under paragraph (a)(1) of this section, no later than 15 calendar days after the first sale of securities in the offering; and

(v) Not later than 30 calendar days after the termination of an offering conducted in reliance on §230.506, unless all the information that would be included in such amendment is included in a notice previously filed under this paragraph (a) and such notice indicated that it was the closing amendment to the Form D.

(5) Where the end of a period specified for filing under paragraph (a)(1), (a)(2), (a)(4)(iv) or (a)(4)(v) of this section falls on a Saturday, Sunday or holiday, the due date for such filing would be the first business day following.
(46) An issuer that files an amendment to a previously filed notice of sales on Form D must provide current information in response to all requirements of the notice of sales on Form D regardless of why the amendment is filed.

(b) How notice of sales on Form D must be filed and signed. (1) A notice of sales on Form D must be filed with the Commission in electronic format by means of the Commission's Electronic Data Gathering, Analysis, and Retrieval System (EDGAR) in accordance with EDGAR rules set forth in Regulation S-T (17 CFR Part 232).

(2) Every notice of sales on Form D must be signed by a person duly authorized by the issuer.

§230.504 Exemption for limited offerings and sales of securities not exceeding $1,000,000.

(a) Exemption. Offers and sales of securities that satisfy the conditions in paragraph (b) of this §230.504 by an issuer that is not:

(1) Subject to the reporting requirements of section 13 or 15(d) of the Exchange Act;,

(2) An investment company; or

(3) A development stage company that either has no specific business plan or purpose or has indicated that its business plan is to engage in a merger or acquisition with an unidentified company or companies, or other entity or person, shall be exempt from the provision of section 5 of the Act under section 3(b) of the Act.

(b) Conditions to be met —(1) General conditions. To qualify for exemption under this §230.504, offers and sales must satisfy the terms and conditions of §§230.501 and 230.502 (a), (c) and (d), except that the provisions of §230.502 (c) and (d) will not apply to offers and sales of securities under this §230.504 that are made:

(i) Exclusively in one or more states that provide for the registration of the securities, and require the public filing and delivery to investors of a substantive disclosure document before sale, and are made in accordance with those state provisions;

(ii) In one or more states that have no provision for the registration of the securities or the public filing or delivery of a disclosure document before sale, if the securities have been registered in at least one state that provides for such registration, public filing and delivery before sale, offers and sales are made in that state in accordance with such provisions, and the disclosure document is delivered before sale to all purchasers (including those in the states that have no such procedure); or

(iii) Exclusively according to state law exemptions from registration that permit general solicitation and general advertising so long as sales are made only to “accredited investors” as defined in §230.501(a).
The aggregate offering price for an offering of securities under this §230.504, as defined in §230.501(c), shall not exceed $1,000,000, less the aggregate offering price for all securities sold within the twelve months before the start of and during the offering of securities under this §230.504, in reliance on any exemption under section 3(b), or in violation of section 5(a) of the Securities Act.

NOTE 1: The calculation of the aggregate offering price is illustrated as follows:

If an issuer sold $900,000 on June 1, 1987 under this §230.504 and an additional $4,100,000 on December 1, 1987 under §230.505, the issuer could not sell any of its securities under this §230.504 until December 1, 1988. Until then the issuer must count the December 1, 1987 sale towards the $1,000,000 limit within the preceding twelve months.

NOTE 2: If a transaction under §230.504 fails to meet the limitation on the aggregate offering price, it does not affect the availability of this §230.504 for the other transactions considered in applying such limitation. For example, if an issuer sold $1,000,000 worth of its securities on January 1, 1988 under this §230.504 and an additional $500,000 worth on July 1, 1988, this §230.504 would not be available for the later sale, but would still be applicable to the January 1, 1988 sale.

§230.505 Exemption for limited offers and sales of securities not exceeding $5,000,000.

(a) Exemption. Offers and sales of securities that satisfy the conditions in paragraph (b) of this section by an issuer that is not an investment company shall be exempt from the provisions of section 5 of the Act under section 3(b) of the Act.

(b) Conditions to be met — (1) General conditions. To qualify for exemption under this section, offers and sales must satisfy the terms and conditions of §§230.501 and 230.502.

(2) Specific conditions — (i) Limitation on aggregate offering price. The aggregate offering price for an offering of securities under this §230.505, as defined in §203.501(c), shall not exceed $5,000,000, less the aggregate offering price for all securities sold within the twelve months before the start of and during the offering of securities under this section in reliance on any exemption under section 3(b) of the Act or in violation of section 5(a) of the Act.

NOTE: The calculation of the aggregate offering price is illustrated as follows:

Example 1: If an issuer sold $2,000,000 of its securities on June 1, 1982 under this §230.505 and an additional $1,000,000 on September 1, 1982, the issuer would be permitted to sell only $2,000,000 more under this §230.505 until June 1, 1983. Until that date the issuer must count both prior sales towards the $5,000,000 limit. However, if the issuer made its third sale on June 1, 1983, the issuer could then sell $4,000,000 of its securities because the June 1, 1982 sale would not be within the preceding twelve months.

Example 2: If an issuer sold $500,000 of its securities on June 1, 1982 under §230.504 and
an additional $4,500,000 on December 1, 1982 under this section, then the issuer could not sell any of its securities under this section until June 1, 1983. At that time it could sell an additional $500,000 of its securities.

(ii) Limitation on number of purchasers. There are no more than or the issuer reasonably believes that there are no more than 35 purchasers of securities from the issuer in any offering under this section.

(iii) Disqualifications. No exemption under this section shall be available for the securities of any issuer described in §230.262 of Regulation A, except that for purposes of this section only:

(A) The term “filing of the offering statement required by §230.252” as used in §230.262(a), (b) and (c) shall mean the first sale of securities under this section;

(B) The term “underwriter” as used in §230.262 (b) and (c) shall mean a person that has been or will be paid directly or indirectly remuneration for solicitation of purchasers in connection with sales of securities under this section; and

(C) Paragraph (b)(2)(iii) of this section shall not apply to any issuer if the Commission determines, upon a showing of good cause, that it is not necessary under the circumstances that the exemption be denied. Any such determination shall be without prejudice to any other action by the Commission in any other proceeding or matter with respect to the issuer or any other person.

§230.506 Exemption for limited offers and sales without regard to dollar amount of offering.

(a) Exemption. Offers and sales of securities by an issuer that satisfy the conditions in paragraph (b) or (c) of this section shall be deemed to be transactions not involving any public offering within the meaning of section 4(a)(2) of the Act.

(b) Conditions to be met in offerings subject to limitations on manner of offering —(1) General conditions. To qualify for an exemption under this section, offers and sales must satisfy all the terms and conditions of §§230.501 and 230.502.

(2) Specific conditions —(i) Limitation on number of purchasers. There are no more than or the issuer reasonably believes that there are no more than 35 purchasers of securities from the issuer in any offering under this section.

NOTE TO PARAGRAPH (B)(2)(i): See §230.501(e) for the calculation of the number of purchasers and §230.502(a) for what may or may not constitute an offering under paragraph (b) of this section.
(ii) **Nature of purchasers.** Each purchaser who is not an accredited investor either alone or with his purchaser representative(s) has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment, or the issuer reasonably believes immediately prior to making any sale that such purchaser comes within this description.

(c) **Conditions to be met in offerings not subject to limitation on manner of offering -- (1) General conditions.** To qualify for exemption under this section, sales must satisfy all the terms and conditions of §§230.501 and 230.502(a) and (d).

(2) **Specific conditions -- (i) Nature of purchasers.** All purchasers of securities sold in any offering under paragraph (c) of this section are accredited investors.

(ii) **Verification of accredited investor status.** The issuer shall take reasonable steps to verify that purchasers of securities sold in any offering under paragraph (c) of this section are accredited investors. The issuer shall be deemed to take reasonable steps to verify if the issuer uses, at its option, one of the following non-exclusive and non-mandatory methods of verifying that a natural person who purchases securities in such offering is an accredited investor; provided, however, that the issuer does not have knowledge that such person is not an accredited investor:

(A) In regard to whether the purchaser is an accredited investor on the basis of income, reviewing any Internal Revenue Service form that reports the purchaser’s income for the two most recent years (including, but not limited to, Form W-2, Form 1099, Schedule K-1 to Form 1065, and Form 1040) and obtaining a written representation from the purchaser that he or she has a reasonable expectation of reaching the income level necessary to qualify as an accredited investor during the current year;

(B) In regard to whether the purchaser is an accredited investor on the basis of net worth, reviewing one or more of the following types of documentation dated within the prior three months and obtaining a written representation from the purchaser that all liabilities necessary to make a determination of net worth have been disclosed:

1. With respect to assets: bank statements, brokerage statements and other statements of securities holdings, certificates of deposit, tax assessments, and appraisal reports issued by independent third parties; and

2. With respect to liabilities: a consumer report from at least one of the nationwide consumer reporting agencies; or

(C) Obtaining a written confirmation from one of the following persons or entities that such person or entity has taken reasonable steps to verify that the purchaser is an accredited investor within the prior three months and has determined that such purchaser is an accredited investor:

1. A registered broker-dealer;
(2) An investment adviser registered with the Securities and Exchange Commission;

(3) A licensed attorney who is in good standing under the laws of the jurisdictions in which he or she is admitted to practice law; or

(4) A certified public accountant who is duly registered and in good standing under the laws of the place of his or her residence or principal office.

(D) In regard to any person who purchased securities in an issuer’s Rule 506(b) offering as an accredited investor prior to September 23, 2013 and continues to hold such securities, for the same issuer’s Rule 506(c) offering, obtaining a certification by such person at the time of sale that he or she qualifies as an accredited investor.

Instructions to paragraph (c)(2)(ii)(A) through (D) of this section:

1. The issuer is not required to use any of these methods in verifying the accredited investor status of natural persons who are purchasers. These methods are examples of the types of non-exclusive and non-mandatory methods that satisfy the verification requirement in §230.506(c)(2)(ii).

2. In the case of a person who qualifies as an accredited investor based on joint income with that person’s spouse, the issuer would be deemed to satisfy the verification requirement in §230.506(c)(2)(ii)(A) by reviewing copies of Internal Revenue Service forms that report income for the two most recent years in regard to, and obtaining written representations from, both the person and the spouse.

3. In the case of a person who qualifies as an accredited investor based on joint net worth with that person’s spouse, the issuer would be deemed to satisfy the verification requirement in §230.506(c)(2)(ii)(B) by reviewing such documentation in regard to, and obtaining written representations from, both the person and the spouse.

(d) “Bad Actor” disqualification. (1) No exemption under this section shall be available for a sale of securities if the issuer; any predecessor of the issuer; any affiliated issuer; any director, executive officer, other officer participating in the offering, general partner or managing member of the issuer; any beneficial owner of 20% or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power; any promoter connected with the issuer in any capacity at the time of such sale; any investment manager of an issuer that is a pooled investment fund; any person that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with such sale of securities; any general partner or managing member of any such investment manager or solicitor; or any director, executive officer or other officer participating in the offering of any such investment manager or solicitor or general partner or managing member of such investment manager or solicitor:
(i) Has been convicted, within ten years before such sale (or five years, in the case of issuers, their predecessors and affiliated issuers), of any felony or misdemeanor:

(A) In connection with the purchase or sale of any security;

(B) Involving the making of any false filing with the Commission; or

(C) Arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities;

(ii) Is subject to any order, judgment or decree of any court of competent jurisdiction, entered within five years before such sale, that, at the time of such sale, restrains or enjoins such person from engaging or continuing to engage in any conduct or practice:

(A) In connection with the purchase or sale of any security;

(B) Involving the making of any false filing with the Commission; or

(C) Arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities;

(iii) Is subject to a final order of a state securities commission (or an agency or officer of a state performing like functions); a state authority that supervises or examines banks, savings associations, or credit unions; a state insurance commission (or an agency or officer of a state performing like functions); an appropriate federal banking agency; the U.S. Commodity Futures Trading Commission; or the National Credit Union Administration that:

(A) At the time of such sale, bars the person from:

(I) Association with an entity regulated by such commission, authority, agency, or officer;

(2) Engaging in the business of securities, insurance or banking; or

(3) Engaging in savings association or credit union activities;

or

(B) Constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct entered within ten years before such sale;
(iv) Is subject to an order of the Commission entered pursuant to section 15(b) or 15B(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b) or 78o-4(c)) or section 203(e) or (f) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3(e) or (f)) that, at the time of such sale:

(A) Suspends or revokes such person's registration as a broker, dealer, municipal securities dealer or investment adviser;

(B) Places limitations on the activities, functions or operations of such person; or

(C) Bars such person from being associated with any entity or from participating in the offering of any penny stock;

(v) Is subject to any order of the Commission entered within five years before such sale that, at the time of such sale, orders the person to cease and desist from committing or causing a violation or future violation of:


(B) Section 5 of the Securities Act of 1933 (15 U.S.C. 77e).

(vi) Is suspended or expelled from membership in, or suspended or barred from association with a member of, a registered national securities exchange or a registered national or affiliated securities association for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade;

(vii) Has filed (as a registrant or issuer), or was or was named as an underwriter in, any registration statement or Regulation A offering statement filed with the Commission that, within five years before such sale, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or is, at the time of such sale, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued; or

(viii) Is subject to a United States Postal Service false representation order entered within five years before such sale, or is, at the time of such sale, subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations.

(2) Paragraph (d)(1) of this section shall not apply:
(i) With respect to any conviction, order, judgment, decree, suspension, expulsion or bar that occurred or was issued before September 23, 2013;

(ii) Upon a showing of good cause and without prejudice to any other action by the Commission, if the Commission determines that it is not necessary under the circumstances that an exemption be denied;

(iii) If, before the relevant sale, the court or regulatory authority that entered the relevant order, judgment or decree advises in writing (whether contained in the relevant judgment, order or decree or separately to the Commission or its staff) that disqualification under paragraph (d)(1) of this section should not arise as a consequence of such order, judgment or decree; or

(iv) If the issuer establishes that it did not know and, in the exercise of reasonable care, could not have known that a disqualification existed under paragraph (d)(1) of this section.

Instruction to paragraph (d)(2)(iv). An issuer will not be able to establish that it has exercised reasonable care unless it has made, in light of the circumstances, factual inquiry into whether any disqualifications exist. The nature and scope of the factual inquiry will vary based on the facts and circumstances concerning, among other things, the issuer and the other offering participants.

(3) For purposes of paragraph (d)(1) of this section, events relating to any affiliated issuer that occurred before the affiliation arose will be not considered disqualifying if the affiliated entity is not:

(i) In control of the issuer; or

(ii) Under common control with the issuer by a third party that was in control of the affiliated entity at the time of such events.

(e) Disclosure of prior “bad actor” events. The issuer shall furnish to each purchaser, a reasonable time prior to sale, a description in writing of any matters that would have triggered disqualification under paragraph (d)(1) of this section but occurred before September 23, 2013. The failure to furnish such information timely shall not prevent an issuer from relying on this section if the issuer establishes that it did not know and, in the exercise of reasonable care, could not have known of the existence of the undisclosed matter or matters.

Instruction to paragraph (e). An issuer will not be able to establish that it has exercised reasonable care unless it has made, in light of the circumstances, factual inquiry into whether any disqualifications exist. The nature and scope of the factual inquiry will vary based on the facts and circumstances concerning, among other things, the issuer and the other offering participants.

(a) No exemption under §230.504, §230.505 or §230.506 shall be available for an issuer if such issuer, or any of its predecessors or affiliates, has been subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminary or permanently enjoining such person for failure to comply with §230.503. No exemption under §230.506 shall be available for an issuer if such issuer, any of its predecessors or affiliates have been subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminary or permanently enjoining such person for failure to comply with §230.509 or §230.510T.

(b) (1) No exemption under §230.506 shall be available for an issuer if such issuer, or any of its predecessors or affiliates, has, within the five preceding years, failed to comply with the requirements of §230.503 in connection with an offering conducted in reliance on §230.506, except that such exemption shall be available for offers and sales in connection with offerings that commenced before the failure to comply occurred. In determining compliance with §230.503 for purposes of this paragraph (b)(1), a notice on Form D (§239.500) or amendment thereto will be deemed timely if it is filed not later than 30 calendar days after the date specified for such filing in §230.503, unless the issuer previously failed to comply with such a filing deadline in connection with the same offering.

(2) One year after the filing by the issuer and such predecessor(s) and affiliate(s), as the case may be, of all notices on Form D (§239.500) and amendments thereto required under §230.503 in connection with each offering conducted in reliance on §230.506 that has not been terminated, and of the closing amendment required under §230.503(a)(4)(v) with respect to each previous offering conducted in reliance on §230.506 within the five preceding years that has been terminated, the issuer shall be permitted to rely on the exemption under §230.506.

(3) For purposes of paragraph (b)(1) of this section, failures to comply with §230.503 that occurred before [effective date of final rule] shall be disregarded.

(bc) Paragraphs (a) and (b) of this section shall not apply if the Commission determines, upon a showing of good cause, that it is not necessary under the circumstances that the exemption be denied.

§230.508 Insignificant deviations from a term, condition or requirement of Regulation D.

(a) A failure to comply with a term, condition or requirement of §230.504, §230.505 or §230.506 will not result in the loss of the exemption from the requirements of section 5 of the Act for any offer or sale to a particular individual or entity, if the person relying on the exemption shows:

(1) The failure to comply did not pertain to a term, condition or requirement directly intended to protect that particular individual or entity; and
(2) The failure to comply was insignificant with respect to the offering as a whole, provided that any failure to comply with paragraph (c) of §230.502, paragraph (b)(2) of §230.504, paragraphs (b)(2)(i) and (ii) of §230.505 and paragraph (b)(2)(i) of §230.506 shall be deemed to be significant to the offering as a whole; and

(3) A good faith and reasonable attempt was made to comply with all applicable terms, conditions and requirements of §230.504, §230.505 or §230.506.

(b) A transaction made in reliance on §230.504, §230.505 or §230.506 shall comply with all applicable terms, conditions and requirements of Regulation D. Where an exemption is established only through reliance upon paragraph (a) of this section, the failure to comply shall nonetheless be actionable by the Commission under section 20 of the Act.

§230.509 Required legends and other disclosures.

(a) Required legends. An issuer shall include, in a prominent manner, the following legends in any written communication that constitutes a general solicitation or general advertising in any offering conducted in reliance on §230.506(c):

(1) The securities may be sold only to “accredited investors,” which for natural persons are investors who meet certain minimum annual income or net worth thresholds;

(2) The securities are being offered in reliance on an exemption from the registration requirements of the Securities Act and are not required to comply with specific disclosure requirements that apply to registration under the Securities Act;

(3) The Commission has not passed upon the merits of or given its approval to the securities, the terms of the offering, or the accuracy or completeness of any offering materials;

(4) The securities are subject to legal restrictions on transfer and resale and investors should not assume they will be able to resell their securities; and

(5) Investing in securities involves risk, and investors should be able to bear the loss of their investment.

(b) Additional legend for private funds. If the issuer is a private fund, the issuer shall include, in a prominent manner, in any written communication that constitutes a general solicitation or general advertising in any offering conducted in reliance on this §230.506(c), a legend disclosing that the securities offered are not subject to the protections of the Investment Company Act.

(c) Required disclosure for performance data of private funds. If the issuer is a private fund and includes performance data in any written communication that constitutes
a general solicitation or general advertising in any offering conducted in reliance on this §230.506(c):

(1) The private fund shall include in such written communication a legend disclosing that the performance data represents past performance; that past performance does not guarantee future results; that current performance may be lower or higher than the performance data presented; that the private fund is not required by law to follow any standard methodology when calculating and representing performance data; and that the performance of the private fund may not be directly comparable to the performance of other funds. The legend should also identify either a telephone number or a website where an investor may obtain current performance data.

(2) All performance data must be as of the most recent practicable date considering the type of private fund and the media through which the data will be conveyed, and the private fund must disclose the period for which performance is presented.

(3) If the performance presentation does not include the deduction of fees and expenses, the private fund must disclose that the presentation does not reflect the deduction of fees and expenses and that if such fees and expenses had been deducted, performance may be lower than presented.

Note to §230.509: A private fund is an issuer that would be an investment company, as defined in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3), but for section 3(c)(1) or 3(c)(7) (15 U.S.C. 80a-3(c)(1) or 80a-3(c)(7)) of that Act. If applicable, a private fund may modify the required legend to reflect any higher minimum requirements to purchase in the offering, such as for qualified clients, as defined in §275.205-3(d)(1) of this chapter, and qualified purchasers, as defined in section 2(a)(51) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(51)) and the rules thereunder.
§230.510T Submission of written general solicitation materials.

(a) An issuer shall submit to the Commission any written communication that constitutes a general solicitation or general advertising in any offering conducted in reliance on §230.506(c) no later than the date of first use. The communication shall be submitted using the intake page designated on the Commission’s website for the submission of such materials.

(b) This temporary rule shall expire and no longer be effective on [ ].
**Item 1. Issuer’s Identity**

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<th>Entity Type (Select One)</th>
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<td>Other (Specify):</td>
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Jurisdiction of Incorporation/Organization

Year of Incorporation/Organization (Select one):
- Over Five Years Ago
- Within Last Five Years (specify year):
- Yet to be Formed

(If more than one issuer is filling out this notice, check this box and identify additional issuer(s) by attaching Items 1 and 2 Continuation Page(s).)

**Item 2. Principal Place of Business and Contact Information**

<table>
<thead>
<tr>
<th>Street Address 1</th>
<th>Street Address 2</th>
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</table>

City

State/Province/Country

Zip/Postal Code

Phone No.

Issuer’s Publicly Accessible website address, if any:

**Item 3. Related Persons**

<table>
<thead>
<tr>
<th>Last Name</th>
<th>First Name</th>
<th>Middle Name</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Street Address 1

Street Address 2

City

State/Province/Country

Zip/Postal Code

Relationship(s):
- Executive
- Officer
- Director
- Promoter
- Controlling Person (for Rule 506(c) offerings only)

Clarification of Response (if necessary)

(Identify additional related persons by checking this box and attaching Item 3 Continuation Page(s))

**Item 4. Industry Group**

- Agriculture
- Banking and Financial Services
  - Commercial Banking
  - Insurance
  - Investing
  - Investment Banking
  - Pooled Investment Fund
- Energy
  - Electric Utilities Energy
  - Conservation Goal
  - Mining Environmental
  - Services Oil & Gas
  - Other Energy
- Health Care
  - Biotechnology
  - Health Insurance
  - Hospitals & Physicians
  - Pharmaceuticals
  - Other Health Care
- Manufacturing
- Real Estate
  - Commercial
  - Construction
- REITs & Finance
- Residential
- Other Real Estate
- Retailing
- Restaurants
- Technology
  - Computers
  - Telecommunications
  - Other Technology
- Travel
  - Airlines & Airports
  - Lodging & Conventions
  - Tourism & Travel Services
  - Other Travel
- Other

Is the issuer registered as an investment company under the Investment Company Act of 1940? Yes No

Other Banking & Financial Services

Other Business Services

Clarification of Response (if Other):
Item 5. Issuer Size (Select one)

Revenue Range (for issuer not specifying “hedge” or “other investment fund” in Item 4 above) OR Aggregate Net Asset Value Range (for issuer specifying “hedge” or “other investment fund” in Item 4 above)

- No Revenues
- $1 - $1,000,000
- $1,000,001 - $5,000,000
- $5,000,001 - $25,000,000
- $25,000,001 - $100,000,000
- Over $100,000,000
- Decline to Disclose Not Available to Public

- No Aggregate Net Asset Value
- $1 - $5,000,000
- $5,000,001 - $25,000,000
- $25,000,001 - $50,000,000
- $50,000,001 - $100,000,000
- Over $100,000,000
- Decline to Disclose Not Available to Public

Item 6. Federal Exemptions and Exclusions Claimed (Select all that apply)

- Investment Company Act Section
  - Rule 504(b)(1) not (i), (ii), or (iii)
  - Rule 504(b)(1) (i)
  - Rule 504(b)(1) (ii)
  - Rule 504(b)(1) (iii)
  - Rule 505
  - Rule 505(b)
  - Rule 505(c)
- Securities Act Section
  - Section 3(c)(1)
  - Section 3(c)(2)
  - Section 3(c)(3)
  - Section 3(c)(4)
  - Section 3(c)(5)
  - Section 3(c)(6)
  - Section 3(c)(7)

Item 7. Type of Filing

- Advance Notice – Rule 506 Offering
- New Notice
- Amendment
- Closing Amendment – Rule 506 Offering

Date of First Sale in this Offering: OR First Sale Yet to Occur

Item 8. Duration of Offering

Does the issuer intend this offering to last more than one year? Yes No

Item 9. Type of Securities Offered (Select all that apply)

- Equity
- Debt
- Option, Warrant or other Right to Acquire Another Security
- Security to be Acquired Upon Exercise of Option, Warrant or Other Right to Acquire Security
- Pooled Investment Fund Interests
- Tenant-in-Common Securities
- Mineral Property Securities
- Other (describe):

Trading Symbol for the Offered Securities, if any: _____

Generally Available Security Identifier Number for the Offered Securities, if any: _____

Item 10. Business Combination Transaction

Is this offering being made in connection with a business combination transaction, such as a merger, acquisition or exchange offer? Yes No

Clarification of Response (if necessary)
Item 11. Minimum Investment

Minimum investment accepted from any outside investor $ ____________

Item 12. Sales Compensation

Recipient  
Recipient CRD Number  
(associated) Broker or Dealer  
(associated) Broker or Dealer CRD Number  
No CRD Number

Street Address 1  
Street Address 2

City  
State/Province/Country  
ZIP/Postal Code

States of Solicitation

☐ AL  ☐ AK  ☐ AZ  ☐ AR  ☐ CA  ☐ CO  ☐ CT  ☐ DE  ☐ DC  ☐ FL  ☐ GA  ☐ HI  ☐ ID  ☐ IL  ☐ IN  ☐ IA  ☐ KS  ☐ KY  ☐ LA  ☐ ME  ☐ MD  ☐ MA  ☐ MI  ☐ MN  ☐ MS  ☐ MO  ☐ MT  ☐ NE  ☐ NV  ☐ NH  ☐ NJ  ☐ NM  ☐ NY  ☐ NC  ☐ ND  ☐ OH  ☐ OK  ☐ OR  ☐ PA  ☐ RI  ☐ SC  ☐ SD  ☐ TN  ☐ TX  ☐ UT  ☐ VT  ☐ VA  ☐ WA  ☐ WV  ☐ WI  ☐ WY  ☐ PR

(Identify additional person(s) being paid compensation by checking this box ☐ and attaching Item 12 Continuation Page(s).)

Item 13. Offering and Sales Amounts

(a) Total Offering Amount $ ____________  
OR  ☐ Indefinite
(b) Total Amount Sold $ ____________
(c) Total Remaining to be Sold  
((Subtract (a) from (b)) $ ____________  
OR  ☐ Indefinite

Clarification of Response (if necessary)

Item 14. Investors

Check this box ☐ if securities in the offering have been or may be sold to persons who do not qualify as accredited investors, and enter the number of such non-accredited investors who already have invested in the offering:

Enter the total number of investors who already have invested in the offering:

<table>
<thead>
<tr>
<th>For offerings under Rule 506 only:</th>
<th>Natural Persons</th>
<th>Legal Entities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accredited Investors</td>
<td>Number</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Amount Raised ($)</td>
<td></td>
</tr>
<tr>
<td>Non-accredited Investors</td>
<td>Number</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Amount Raised ($)</td>
<td></td>
</tr>
</tbody>
</table>

Item 15. Sales Commissions and Finders’ Fees Expenses

Provide separately the amounts of sales commission and finders’ fees expenses, if any. If an amount is not known, provide an estimate and check the box next to the amount.

Sales Commissions $ ____________  
☐ Estimate

Finder’s Fees $ ____________  
☐ Estimate

Clarification of Response (if necessary)
Form D
U.S. Securities and Exchange Commission
Washington, DC  20549

Item 16. Use of Proceeds

Provide the amount of the gross proceeds of the offering that has been or is proposed to be used for payments to any of the persons required to be named as executive officers, directors, or promoters in response to Item 3 above. If the amount is unknown, provide an estimate and check the box next to the amount.

$               ☐ Estimate

Clarification of Response (if necessary)

Issuers that are not Pooled Investment Funds - Offerings under Rule 506

<table>
<thead>
<tr>
<th>What fraction of offering proceeds was or will be used to repurchase/retire existing securities?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ None  ☐ Less than 10%  ☐ 10-25%  ☐ 25-50%  ☐ More than 50%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What fraction of offering proceeds was or will be used to pay offering expenses?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ None  ☐ Less than 10%  ☐ 10-25%  ☐ 25-50%  ☐ More than 50%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What fraction of offering proceeds was or will be used to acquire assets, otherwise than in the ordinary course of business?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ None  ☐ Less than 10%  ☐ 10-25%  ☐ 25-50%  ☐ More than 50%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What fraction of offering proceeds was or will be used to finance acquisitions of other businesses?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ None  ☐ Less than 10%  ☐ 10-25%  ☐ 25-50%  ☐ More than 50%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What fraction of offering proceeds was or will be used for working capital?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ None  ☐ Less than 10%  ☐ 10-25%  ☐ 25-50%  ☐ More than 50%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What fraction of offering proceeds was or will be used to discharge indebtedness?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ None  ☐ Less than 10%  ☐ 10-25%  ☐ 25-50%  ☐ More than 50%</td>
</tr>
</tbody>
</table>

Item 17. Offerings Under Rule 506: Specify the Number of Purchasers Who Qualified as Accredited Investors on the Basis of:

| | Income | | Net worth | | Director, executive officer or general partner of issuer or its general partner | | Other basis |
|---------------------|-----|---------------------|---------------------|


If the issuer’s securities are traded on a national securities exchange, alternative trading system or any other organized trading venue, the name of such trading venue: ______

If a class of the issuer’s securities is registered under the Securities Exchange Act of 1934, the SEC file number for such class of securities: ______

Check this box ☐ if the securities being offered in reliance on Rule 506 are of the same class of securities or are convertible into or exercisable or exchangeable for such class of securities.


If the issuer used a registered broker-dealer in connection with the offering, were general solicitation materials filed with the Financial Industry Regulatory Authority (FINRA)? ☐ Yes ☐ No ☐ Not applicable

Item 20. Offerings Under Rule 506: Name and SEC File Number of Investment Advisers

If the issuer is a pooled investment fund, the name and SEC file number for each registered investment adviser or exempt reporting adviser that functions directly or indirectly as a promoter of the issuer: ______

Item 21. Offerings Under Rule 506(c): Types of General Solicitation and General Advertising Used or To Be Used (check all that apply):

☐ Email ☐ Mass Mailing ☐ Telephone solicitations ☐ Broadcast media ☐ Print media ☐ Social media
☐ Public website(s) or webcast(s). [Specify web address(es): ]
☐ Other written communications [Specify: ]
☐ Seminar(s)/meeting(s) ☐ Other oral communications ☐ Not applicable
Item 22. Offerings Under Rule 506(c): Methods Used or To Be Used to Verify that Purchasers are Accredited Investors (check all that apply):

Non-exclusive List of Verification Methods in Rule 506(c)(2)(ii):

☐ Verification of natural person’s income under Rule 506(c)(2)(ii)(A)
☐ Verification of natural person’s net worth under Rule 506(c)(2)(ii)(B)
☐ Confirmation under Rule 506(c)(2)(ii)(C) by:
  ☐ Registered broker-dealer
  ☐ Certified public accountant
  ☐ SEC-registered investment adviser
  ☐ Licensed attorney

Verification Using Other Methods (check all that apply):

☐ Publicly available information [Specify: ]
☐ Documentation provided by purchaser [Specify: ]
☐ Documentation provided by third parties [Specify: ]
☐ Reliance on verification by a third party other than a registered broker-dealer, registered investment adviser, certified public accountant, or licensed attorney
☐ Questionnaire
☐ Other [Specify: ]

Signature and Submission

Please verify the information you have entered and review the Terms of Submission below before signing and submitting this notice.

Terms of Submission. In submitting this notice, each identified issuer is:

Notifying the SEC and/or each State in which this notice is filed of the offering of securities described and undertaking to furnish them, upon written request, in accordance with applicable law, the information furnished to offerees.*

Irrevocably appointing each of the Secretary of the SEC and the Securities Administrator or other legally designated officer of the State in which the issuer maintains its principal place of business and any State in which this notice is filed, as its agents for service of process, and agreeing that these persons may accept service on its behalf, of any notice, process or pleading, and further agreeing that such service may be made by registered or certified mail, in any Federal or state action, administrative proceeding, or arbitration brought against the issuer in any place subject to the jurisdiction of the United States, if the action, proceeding or arbitration (a) arises out of any activity in connection with the offering of securities that is the subject of this notice, and (b) is founded, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these statutes; or (ii) the laws of the State in which the issuer maintains its principal place of business or any State in which this notice is filed.

Certifying that, if the issuer is claiming a Regulation D exemption for the offering, the issuer is not disqualified from relying on Regulation D for one of the reasons stated in Rule 505(b)(2)(iii) or Rule 506(d).

* This undertaking does not affect any limits Section 102(a) of the National Securities Markets Improvement Act of 1996 (“NSMIA”) [Pub. L. No. 104-290, 110 Stat. 3416 (Oct. 11, 1996)] imposes on the ability of States to require information. As a result, if the securities that are the subject of this Form D are “covered securities” for purposes of NSMIA, whether in all instances or due to the nature of the offering that is the subject of this Form D, States cannot routinely require offering materials under this undertaking or otherwise and can require offering materials only to the extent NSMIA permits them to do so under NSMIA’s preservation of their anti-fraud authority.

Each identified issuer has read this notice, knows the contents to be true, and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person. (Check this box ☐ and attach Signature Continuation Pages for signatures of issuers identified in Item 1 above but not represented by signer below.)

Issuer(s)

Name of Signer

Signature

Title

Number of continuation pages attached Date

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.
Instructions for Submitting a Form D Notice

Who must file: Each issuer of securities that sells its securities in reliance on an exemption provided in Regulation D or Section 4(a)(5) of the Securities Act of 1933 must file this notice containing the information requested with the U.S. Securities and Exchange Commission (SEC) and with the state(s) requiring it. If more than one issuer has sold its securities in the same transaction, all issuers should be identified in one filing with the SEC, but some states may require a separate filing for each issuer or security sold.

When to file:

- **For offerings under Rule 504, Rule 505 and Rule 506(b) of Regulation D and Section 4(a)(5) of the Securities Act, an issuer must file a new notice with the SEC for each new offering of securities no later than 15 calendar days after the “date of first sale” of securities in the offering as explained in the Instruction to Item 7. For this purpose, the date of first sale is the date on which the first investor is irrevocably contractually committed to invest, which, depending on the terms and conditions of the contract, could be the date on which the issuer receives the investor’s subscription agreement or check. An issuer may file the notice at any time before that if it has determined to make the offering. An issuer must file a new notice with each state that requires it at the time set by the state. For information, go to www.NASAA.org. A mandatory capital commitment call does not constitute a new offering, but is made under the original offering, so no new Form D filing is required.

- **When an issuer intends to offer or sell securities under Rule 506(c) of Regulation D and has not previously filed a Form D for the offering, the issuer must file a new notice with the SEC for each new offering of securities no later than 15 calendar days prior to the first use of general solicitation or general advertising for the offering. The advance Form D is required to include the following information for such offering: the issuer’s identity (Item 1), principal place of business and contact information (Item 2), related persons (Item 3), industry group (Item 4), federal exemptions and exclusions claimed (Item 6), type of filing (Item 7), type(s) of securities offered (Item 9), business combination transaction (Item 10), sales compensation (Item 12), and use of proceeds (Item 16). The information under Item 9 and Item 12 is required only to the extent that the information is known at the time of the filing of the advance Form D.

- **An issuer may file an amendment to a previously filed notice at any time.

- **An issuer must file an amendment to a previously filed notice for an offering:
  - to provide the information required by Form D for each new offering of securities in reliance on Rule 506(c) no later than 15 calendar days after the first sale of securities in the offering;
  - to correct a material mistake of fact or error in the previously filed notice, as soon as practicable after discovery of the mistake or error;
  - to reflect a change in the information provided in the previously filed notice, except as provided below, as soon as practicable after the change; and
  - annually, on or before the first anniversary of the most recent previously filed notice, if the offering is continuing at that time; and
  - not later than 30 calendar days after termination of an offering conducted in reliance on Rule 506, unless a previously filed Form D amendment for such issuer with respect to the same offering includes the information that would have been disclosed in the amendment following termination of such offering and such previously filed amendment indicates that it is the closing amendment to the Form D for the offering.

When amendment is not required: An issuer is not required to file an amendment to a previously filed notice to reflect a change that occurs after the offering terminates or a change that occurs solely in the following information:

- the address or relationship to the issuer of a related person identified in response to Item 3;
- an issuer’s revenues or aggregate net asset value;
- the minimum investment amount, if the change is an increase, or if the change, together with all other changes in that amount since the previously filed notice, does not result in a decrease of more than 10%;
- any address or state(s) of solicitation shown in response to Item 12;
- the total offering amount, if the change is a decrease, or if the change, together with all other changes in that amount since the previously filed notice, does not result in an increase of more than 10%;
- the amount of securities sold in the offering or the amount remaining to be sold;
- the number of non-accredited investors who have invested in the offering, as long as the change does not increase the number to more than 35;
- the total number of investors who have invested in the offering; and
- the amount of sales commissions, finders’ fees or use of proceeds for payments to executive officers, directors or promoters, if the change is a decrease, or if the change, together with all other changes in that amount since the previously filed notice, does not result in an increase of more than 10%.

Saturdays, Sundays and holidays: If the date on which a notice or an amendment to a previously filed notice is required to be filed falls on a Saturday, Sunday or holiday, the due date is the first business day following.

Amendment content: An issuer that files an amendment to a previously filed notice must provide current information in response to all items of this Form D, regardless of why the amendment is filed.

How to file: Issuers must file this notice with the SEC in electronic format. For state filing information, go to www.NASAA.org.

Filing fee: There is no federal filing fee. For information on state filing fees, go to www.NASAA.org.

Definitions of terms: Terms used but not defined in this form that are defined in Rule 405 and Rule 501 under the Securities Act of 1933, 17 CFR 230.405 and 230.501, have the meanings given to them in those rules.
Form D

Item-by-Item Instructions

Item 1. Issuer’s Identity. Identify each legal entity issuing any securities being reported as being offered by entering its full name; any previous name used within the past five years; and its jurisdiction of incorporation or organization, type of legal entity, and year of incorporation or organization within the past five years or status as formed over five years ago or not yet formed. If more than one entity is issuing the securities, identify a primary issuer in the first fields shown on the first page of the form, checking the box provided, and identify additional issuers by attaching Items 1 and 2 continuation page(s).

Item 2. Principal Place of Business and Contact Information. Enter a full street address of the issuer’s principal place of business. Post office box numbers and “In care of” addresses are not acceptable. Enter a contact telephone number for the issuer. If you identified more than one issuer in response to Item 1, enter the requested information for the primary issuer you identified in response to that item and, at your option, for any or all of the other issuers you identified on your Item 1 and 2 continuation page(s). Enter the issuer’s publicly accessible website address, if any.

Item 3. Related Persons. Enter the full name and address of each person having the specified relationships with any issuer and identify each relationship:

- Each executive officer and director of the issuer and person performing similar functions (title alone is not determinative) for the issuer, such as the general and managing partners of partnerships and managing members of limited liability companies; and

- Each person who has functioned directly or indirectly as a promoter of the issuer within the past five years of the later of the first sale of securities or the date upon which the Form D filing was required to be made, whichever date is later.

- For offerings conducted in reliance on Rule 506(c) only, each person who directly or indirectly controls the issuer.

If necessary to prevent the information supplied from being misleading, also provide a clarification in the space provided.

Identify additional persons having the specified relationships by checking the box provided and attaching Item 3 continuation page(s).

Item 4. Industry Group. Select the issuer’s industry group. If the issuer or issuers can be categorized in more than one industry group, select the industry group that most accurately reflects the use of the bulk of the proceeds of the offering. For purposes of this filing, use the ordinary dictionary and commonly understood meanings of the terms identifying the industry group. If “Other”, provide a brief description of the issuer’s industry group in the space provided.

Item 5. Issuer Size.

- Revenue Range (for issuers that do not specify “Hedge Fund” or “Other Investment Fund” in response to Item 4): Enter the revenue range of the issuer or of all the issuers together for the most recently completed fiscal year available, or, if not in existence for a fiscal year, revenue range to date. Domestic SEC reporting companies should state revenues in accordance with Regulation S-X under the Securities Exchange Act of 1934. Domestic non-reporting companies should state revenues in accordance with U.S. Generally Accepted Accounting Principles (GAAP). Foreign issuers should calculate revenues in U.S. dollars and state them in accordance with U.S. GAAP, home country GAAP or International Financial Reporting Standards. If the issuer(s) declines to disclose has not otherwise made information about its revenues range, publicly available (for example, in general solicitation materials for an offering conducted in reliance on Rule 506(c)) and otherwise uses reasonable efforts to maintain the confidentiality of such information, enter “Decline to Disclose Not Available to Public.” If the issuer’s(s’) business is intended to produce revenue but did not, enter “No Revenues.” If the business is not intended to produce revenue (for example, the business seeks asset appreciation only), enter “Not Applicable.”

- Aggregate Net Asset Value (for issuers that specify “Hedge Fund” or “Other Investment Fund” in response to Item 4): Enter the aggregate net asset value range of the issuer or of all the issuers together as of the most recent practicable date. If the issuer(s) declines to disclose has not otherwise made information about its net asset value range, publicly available (for example, in general solicitation materials for an offering conducted in reliance on Rule 506(c)) and otherwise uses reasonable efforts to maintain the confidentiality of such information, enter “Decline to Disclose Not Available to Public.”

Item 6. Federal Exemption(s) and Exclusion(s) Claimed. Select the provision(s) being claimed to exempt the offering and resulting sales from the federal registration requirements under the Securities Act of 1933 and, if applicable, to exclude the issuer from the definition of “investment company” under the Investment Company Act of 1940. Select “Rule 504(b)(1) (not (i), (ii) or (iii))” only if the issuer is relying on the exemption in the introductory sentence of Rule 504 for offers and sales that satisfy all the terms and conditions of Rules 501 and 502(a), (c) and (d).

Item 7. Type of Filing. Indicate whether the issuer is filing a new notice, an advance notice for an offering in reliance on Rule 506(c), or an amendment to a notice that was filed previously, or a closing amendment for an offering in reliance on Rule 506. If this is a new notice, enter the date of the first sale of securities in the offering or indicate that the first sale has “Yet to Occur.” For this purpose, the date of first sale is the date on which the first investor is irrevocably contractually committed to invest, which, depending on the terms and conditions of the contract, could be the date on which the issuer receives the investor’s subscription agreement or check.

Item 8. Duration of Offering. Indicate whether the issuer intends the offering to last for more than one year.
Item 9. Type(s) of Securities Offered. Select the appropriate type or types of securities offered as to which this notice is filed. State the trading symbol and general available security identifier, such as a CUSIP number or an International Securities Identification Number (ISIN), for the offered securities, if any. If the securities are debt convertible into other securities, however, select “Debt” and any other appropriate types of securities except for “Equity.” For purposes of this filing, use the ordinary dictionary and commonly understood meanings of these categories. For instance, equity securities would be securities that represent proportional ownership in an issuer, such as ordinary common and preferred stock of corporations and partnership and limited liability company interests; debt securities would be securities representing money loaned to an issuer that must be repaid to the investor at a later date; pooled investment fund interests would be securities that represent ownership interests in a pooled or collective investment vehicle; tenant-in-common securities would be securities that include an undivided fractional interest in real property other than a mineral property; and mineral property securities would be securities that include an undivided interest in an oil, gas or other mineral property.

Item 10. Business Combination Transaction. Indicate whether or not the offering is being made in connection with a business combination, such as an exchange (tender) offer or a merger, acquisition, or other transaction of the type described in paragraph (a)(1), (2) or (3) of Rule 145 under the Securities Act of 1933. Do not include an exchange (tender) offer for a class of the issuer's own securities. If necessary to prevent the information supplied from being misleading, also provide a clarification in the space provided.

Item 11. Minimum Investment. Enter the minimum dollar amount of investment that will be accepted from any outside investor. If the offering provides a minimum investment amount for outside investors that can be waived, provide the lowest amount below which a waiver will not be granted. If there is no minimum investment amount, enter “0.” Investors will be considered outside investors if they are not employees, officers, directors, general partners, trustees (where the issuer is a business trust), consultants, advisors or vendors of the issuer, its parents, its majority owned subsidiaries, or majority owned subsidiaries of the issuer's parent.

Item 12. Sales Compensation. Enter the requested information for each person that has been or will be paid directly or indirectly any commission or other similar compensation in cash or other consideration in connection with sales of securities in the offering, including finders. Enter the CRD number for every person identified and any broker and dealer listed that has a CRD number. CRD numbers can be found at http://brokercheck.finra.org. A person that does not have a CRD number need not obtain one in order to be listed, and must be listed when required regardless of whether the person has a CRD number. In addition, check the State(s) in which the named person has solicited or intends to solicit investors. If more than five persons to be listed are associated persons of the same broker or dealer, enter only the name of the broker or dealer, its CRD number and street address, and the State(s) in which the named person has solicited or intends to solicit investors.

Item 13. Offering and Sales Amounts. Enter the dollar amount of securities being offered under a claim of federal exemption identified in Item 6 above. Also enter the dollar amount of securities sold in the offering as of the filing date. Select the “Indefinite” box if the amount being offered is undetermined or cannot be calculated at the present time, such as if the offering includes securities to be acquired upon the exercise or exchange of other securities or property and the exercise price or exchange value is not currently known or knowable. If an amount is definite but difficult to calculate without unreasonable effort or expense, provide a good faith estimate. The total offering and sold amounts should include all cash and other consideration to be received for the securities, including cash to be paid in the future under mandatory capital commitments. In offerings for consideration other than cash, the amounts entered should be based on the issuer's good faith valuation of the consideration. If necessary to prevent the information supplied from being misleading, also provide a clarification in the space provided.

Item 14. Investors. Indicate whether securities in the offering have been or may be sold to persons who do not qualify as accredited investors as defined in Rule 501(a), 17 CFR 230.501(a), and provide the number of such investors who have already invested in the offering. In addition, regardless of whether securities in the offering have been or may be sold to persons who do not qualify as accredited investors, specify the total number of investors who already have invested. For an offering conducted in reliance on Rule 506, state the number of natural persons who are accredited investors and non-accredited investors and purchased securities in the offering, and the dollar amount raised from each category of investor.

Item 15. Sales Commission and Finders' Fees Expenses. The information on sales commissions and finders’ fees expenses may be given as subject to future contingencies.

Item 16. Use of Proceeds. No additional instructions. For an offering conducted in reliance on Rule 506 by an issuer that is not a pooled investment fund, enter the percentage range of the offering proceeds that was or will be used to repurchase or retire the issuer’s existing securities; to pay offering expenses; to acquire assets, otherwise than in the ordinary course of business; to finance acquisitions of other businesses; for working capital; and to discharge indebtedness.

Item 17. Purchasers Who Qualified as Accredited Investors. For an offering conducted in reliance on Rule 506, enter the number of purchasers who qualified as accredited investors on the basis of (1) income, (2) net worth, (3) being a director, executive officer or general partner of the issuer or its general partner, or (4) other basis.

Item 18. National Securities Exchange or Alternative Trading System. For an offering conducted in reliance on Rule 506, if the issuer’s securities are traded on a national securities exchange, alternative trading system or any other organized trading venue, state the name of such trading venue. If a class of the issuer’s securities is registered under the Securities Exchange Act of 1934, state the SEC file number for such class of securities. Check the box if the securities being offered in reliance on Rule 506 are of the same class of securities or are convertible into or exercisable or exchangeable for such class of securities.
Item 19. Filing of General Solicitation Materials with FINRA. For an offering conducted in reliance on Rule 506, if the issuer used a registered broker-dealer in connection with the offering, indicate whether any general solicitation materials were filed with the Financial Industry Regulatory Authority (FINRA).

Item 20. Name and SEC File Number of Investment Advisers. For an offering conducted in reliance on Rule 506 by an issuer that is a pooled investment fund, if an investment adviser functions, directly or indirectly, as a promoter of the issuer, provide the name and Commission file number for each such investment adviser that is registered with, or reporting as an exempt reporting adviser to, the Commission.

Item 21. Types of General Solicitation and General Advertising. For an offering conducted in reliance on Rule 506(c), indicate each type of general solicitation and general advertising used or to be used in the offering. If public website(s) or webcast(s) are used, specify the web addresses for the public website(s) or webcast(s). If written communications are used other than those listed in this item, briefly describe the form of such written communications.

Item 22. Methods Used to Verify Accredited Investor Status. For an offering conducted in reliance on Rule 506(c), indicate each method used or to be used to verify that the purchasers of securities are accredited investors. If the issuer verifies the accredited investor status of purchasers other than through the non-exclusive list of verification methods in Rule 506(c)(2)(ii), specify the publicly available information, documentation provided by the purchaser or third parties, or other methods used to verify accredited investor status.

Signature and Submission. An individual who is a duly authorized representative of each issuer identified must sign, date and submit this notice for the issuer. The capacity in which the individual is signing should be set forth in the “Title” field underneath the individual’s name.

The name of the issuer(s) on whose behalf the notice is being submitted should be set forth in the “Issuer” field beside the individual’s name; if the individual is signing on behalf of all issuers submitting the notice, the word “All” may be set forth in the “Issuer” field. Attach signature continuation page(s) to have different individuals sign on behalf of different issuer(s). Enter the number of continuation pages attached and included in the filing. If no continuation pages are attached, enter “0”.
**Item 1. Issuer’s Identity and Contact Information (Continued)**

<table>
<thead>
<tr>
<th>Name of Issuer</th>
<th>Previous Name(s)</th>
<th>Entity Type (Select One)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
<td>Corporation</td>
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<tr>
<td>Jurisdiction of Incorporation/Organization</td>
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<td>Business Trust</td>
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<td></td>
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<td>Other (Specify):</td>
</tr>
</tbody>
</table>

Year of Incorporation/Organization

(Select one)
- [ ] Over Five Years Ago
- [ ] Within Last Five Years (specify year): [___] Yet to be Formed

At your option, supply separate contact information for this issuer:

<table>
<thead>
<tr>
<th>Street Address 1</th>
<th>Street Address 2</th>
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Issuer’s Publicly Accessible website address, if any:

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Issuer’s Publicly Accessible website address, if any:

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(Copy and use additional copies of this page as necessary.)
### Item 3. Related Persons (Continued)

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**Relationship(s):**
- [ ] Executive Officer
- [ ] Director
- [ ] Promoter

**Clarification of Response (if necessary):**

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<table>
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<tr>
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**Relationship(s):**
- [ ] Executive Officer
- [ ] Director
- [ ] Promoter

**Clarification of Response (if necessary):**

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**Clarification of Response (if necessary):**

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**Relationship(s):**
- [ ] Executive Officer
- [ ] Director
- [ ] Promoter

**Clarification of Response (if necessary):**

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(Copy and use additional copies of this page as necessary.)
### Item 12. Sales Compensation (Continued)

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(Associated) Broker or Dealer  None

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States of Solicitation

- [ ] All States
- [ ] AL
- [ ] AK
- [ ] AZ
- [ ] AR
- [ ] CA
- [ ] CO
- [ ] CT
- [ ] DE
- [ ] DC
- [ ] FL
- [ ] GA
- [ ] HI
- [ ] ID
- [ ] IL
- [ ] IN
- [ ] IA
- [ ] KS
- [ ] KY
- [ ] LA
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- [ ] MD
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- [ ] MS
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- [ ] NE
- [ ] NV
- [ ] NH
- [ ] NJ
- [ ] NM
- [ ] NY
- [ ] NC
- [ ] ND
- [ ] OH
- [ ] OK
- [ ] OR
- [ ] PA
- [ ] RI
- [ ] SC
- [ ] SD
- [ ] TN
- [ ] TX
- [ ] UT
- [ ] VT
- [ ] VA
- [ ] WA
- [ ] WV
- [ ] WI
- [ ] WY
- [ ] PR

(Copy and use additional copies of this page as necessary.)
**Signature and Submission**

The undersigned is the duly authorized representative of the issuer(s), identified in the field beside the individual’s name below.

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Name of Signer</th>
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<tbody>
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<table>
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