

**18 NCAC 06A .1303      REGISTRATION BY QUALIFICATION**

(a) Application for registration by qualification shall be filed with the administrator using the Uniform Application To Register Securities (Form U-1). Documents necessary to establish eligibility for registration by qualification shall be attached.

(b) As a condition to registration by qualification the applicant shall prepare a prospectus which shall, after approval by the administrator, be sent or given to each person to whom an offer is made before or concurrently with whichever of the following events first occurs:

- (1) the first written offer made to him (otherwise than by means of a public advertisement) by or for the account of the issuer or any other person on whose behalf the offering is being made, or by any underwriter or dealer who is offering part of an unsold allotment or subscription taken by him as a participant in the distribution;
- (2) the confirmation of any sale made by or for the account of any such person;
- (3) payment pursuant to any such sale; or
- (4) delivery of the security pursuant to any sale.

(c) The prospectus requirement of Paragraph (b) of this Rule may be satisfied by the use of the NASAA Form U-7 (Small Corporate Offerings Registration Form) (as found at CCH NASAA Reports 5057) if the use of that form is allowed by the instructions to Form U-7 for the securities offering being registered.

*History Note:      Authority G.S. 78A-27(d); 78A-49(a);  
Eff. April 1, 1981;  
Amended Eff. September 1, 1990; October 1, 1988; January 1, 1984;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016.*