

18 NCAC 06A .2014 FACTORS CONSIDERED WHEN REVIEWING THE CLAIM OF EXEMPTION

(a) When determining whether the securities offering complies with the conditions of the Exemption, the Administrator may consider the following factors and any reported material changes:

- (1) whether all filings required by Rule .2007 of this Section have been made;
- (2) the contents of the Form NCE;
- (3) the contents of the disclosure document;
- (4) the contents of the escrow agreement and whether the Administrator has approved it pursuant to Rules .2020 and .2021 of this Section;
- (5) the contents of any contracts related to the execution of the securities offering transactions;
- (6) the funding portal, if any, selected by the issuer;
- (7) whether the proposed securities offering complies with other requirements of G.S.78A-17.1 and this Section;
- (8) whether the securities offering would tend to work a fraud on the investing public;
- (9) whether regulatory agencies oversee the activities of the entities that are parties to the transactions related to the securities offering;
- (10) whether the issuer is a prohibited business pursuant to G.S. 78A-17.1 and the rules in this Chapter; and
- (11) any other factors the Administrator deems relevant.

(b) The Administrator may consider information not included in the Form NCE and other documents pursuant to Rule .2007 of this Section, and may ask the issuer for additional relevant information.

History Note: *Authority* G.S. 78A-17.1(a)(5); 78A-17.1(f); 78A-49(a); 78A-49(d); 78A-64; S.L. 2016-103, s.4.(a);
 Eff. April 1, 2017.