

November 26, 2013

09001.01038

**BY ELECTRONIC SUBMISSION**

U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

Re: Request for Public Comment on Title IV of the Jumpstart Our Business Startups Act

Ladies and Gentlemen:

We viewed with great interest the speech Commissioner Daniel M. Gallagher made at FIA Futures and Options Expo on November 6, 2013. In his remarks, Commissioner Gallagher advocated for the development of “venture exchanges” governed by scaled, sensible regulation under which small companies would be provided with a proper runway for them to grow while at the same time providing investors with the material disclosures they need to make informed decisions. The Commission’s forthcoming implementation of Section 401 of the Jumpstart Our Business Startups Act of 2012 (the “**JOBS Act**”) relating to the exemption from registration set forth in new Section 3(b)(2) of the Securities Act of 1933 (the “**Securities Act**”) presents an opportunity to create a regulatory environment that can foster the development of such an equity market venture exchange populated with small cap and emerging growth companies (“**emerging growth companies**”) which operates under a disclosure framework envisioned by Commissioner Gallagher that is “geared towards more basic, clearly material information.” We submit this letter to provide recommendations with respect to implementation of Section 401 of the JOBS Act that we believe will foster the development of a venture exchange for equity trading contemplated by Commissioner Gallagher.

In short, we recommend that the Commission adopt regulations that would:

- eliminate unnecessary state “Blue Sky law” law compliance burdens that constrain nationwide public offerings and secondary market trading of emerging growth company securities; and
- conditionally exempt emerging growth companies from the periodic and other reporting obligations of Section 13(a) of the Securities Exchange Act of 1934, as amended (“**Exchange Act**”) until they reach a non-affiliate market capitalization of \$250 million.

As many have observed, the prevailing one-size-fits-all regulatory paradigm governing initial public offerings and ongoing periodic reporting has failed to facilitate capital formation by emerging growth companies. The adoption of regulations consistent our recommendations will create an incentive for market participants to develop market-based listing and trading solutions that appeal to emerging growth companies, market-makers and investors alike. We believe such regulatory action can serve to advance the Commission’s capital formation mission without undermining its important mission to protect investors.

**PREEMPTION OF “BLUE SKY” REGULATION**

Section 3(b)(2) of the Securities Act requires the Commission to promulgate rules and regulations that exempt from registration under the Securities Act a new category of small offerings pursuant to which issuers may offer and sell up to \$50 million of securities within (the new regulation to be promulgated hereinafter referred to as “**New Regulation A+**”). Section 401 of the JOBS Act also amends Section 18 of the Securities Act so that in certain limited circumstances the securities publicly offered pursuant New Regulation A+ will be treated as “covered securities” and benefit from the preemption of state “Blue Sky”

laws and regulations. Section 18 of the Securities Act was adopted as part of the National Securities Markets Improvement Act of 1996 ("**NSMIA**") in part to eliminate duplicative and unnecessary regulatory burdens placed on nationwide securities offerings.

As amended by the JOBS Act, Section 18(b)(4)(D) of the Securities Act would preempt only those New Regulation A+ offerings that satisfy one of two specified conditions. In relevant part, Section 18(b)(4)(D) provides that a security is a "covered security" with respect to a transaction that is exempt from registration under New Regulation A+ if such security is (i) offered or sold on a national securities exchange or (ii) sold to a qualified purchaser as defined by the Commission pursuant to Section 18(b)(3) with respect to that purchase or sale.<sup>1</sup> Without further regulatory accommodation, in the absence of an unlikely listing on a national securities exchange,<sup>2</sup> securities offered and sold under New Regulation A+ would not qualify as "covered securities" and would not benefit from the preemption of state "Blue Sky" laws and regulations. As a consequence, assuming they are regulated under state law in a manner similar to offerings conducted under existing Regulation A, any nationwide public offering to the general investing public conducted under New Regulation A+ would be substantially burdened by the need to comply with numerous state "Blue Sky" offering qualification regulations. Attached hereto as **Exhibit A** is a 50 state survey of the "Blue Sky" offering qualification regulations that would likely apply to an offering conducted in reliance on New Regulation A+ (the "**Blue Sky Survey**").

Compliance with such multiple state level regulations in connection with a nationwide public offering is cumbersome, costly and time consuming, particularly when one considers that the various states' regulations are not uniform and state agency review policies are inconsistent and difficult to coordinate. Indeed, the lack of uniformity and coordination introduces uncertainties as to whether an issuer could obtain the necessary clearance from state agency officials in a timely manner to meet the timetable established for its securities offering. Moreover, given the merit-based nature of the review required in 26 states as noted in the Blue Sky Survey, a substantial uncertainty would exist as to whether ultimately an issuer could even clear its offering with the relevant state agency officials. If an issuer is unable to timely or ultimately clear its offering in one or more states, the offering would need to be reduced in geographic scope, which would negatively impact its potential success. The required filing fees and the legal fees incurred to assure compliance with the regulations represent a direct cost on capital formation. To clear an offering with the "Blue Sky" authorities in all 50 states, we estimate an issuer would incur \$50,000 to \$70,000 in filing fees and \$80,000 to \$100,000 in legal fees.

Given the significant costs and uncertainties associated with "Blue Sky" law compliance, it is unlikely that New Regulation A+ will be embraced by issuers as a viable alternative for raising investment capital. The existence of this significant compliance burden is what we believe lead Professor John C. Coates IV to testify before the Senate Banking Committee that "[S 1544] is not particularly threatening (to capital costs

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<sup>1</sup> Even if an issuer could satisfy the listing standards of a national securities exchange, such a listing would entail registration under the Exchange Act, and compliance with the full panoply of listed company periodic reporting and other regulations, including those that implemented the corporate governance provisions of the Sarbanes-Oxley Act of 2002 and Dodd-Frank Wall Street Reform and Consumer Protection Act, a step that many issuers would not necessarily consider given that they likely would not be at a point in their development to consider registration under the Exchange Act and the attendant cost of implementation and ongoing compliance.

<sup>2</sup> Section 18(b)(1)(A) treats as "covered securities" the securities of issuer that are "listed, or authorized for listing, on the New York Stock Exchange or the American Stock Exchange, or listed, or authorized for listing, on the National Market System of the Nasdaq Stock Market". However, given the limited size of its offering, it is uncertain as to whether a particular issuer that conducts an offering under New Regulation A+ would satisfy the applicable listing standards.

or investor protection) because without blanket preemption of state blue-sky laws, it is unlikely to be used." In its July 2012 report to Congress entitled "*Factors that May Affect Trends in Regulation A Offerings*," the costs and burdens of "Blue Sky" law compliance was identified the U.S. Government Accountability Office as among the principal reasons why Regulation A has not been used very often by issuers. When one considers that New Regulation A+ offerings will be subject to pre-offering review and clearance by the Commission's disclosure operations staff, this compliance burden substantially outweighs any additional investor protection benefit that may be derived from compliance with state "Blue Sky" regulations.

Under existing federal law and regulation, private offerings conducted in reliance on Rules 506(b) and 506(c) of Regulation D under the Securities Act benefit from the preemption accorded by Section 18 and need not comply with state "Blue Sky" offering qualification regulations. What is clear, from an investor protection standpoint, is that securities offerings conducted under New Regulation A+ will require the filing with the Commission of a comprehensive offering statement (including financial statements), which will be subject to full review by the Commission's staff accountants and attorneys. This treatment is very different from the treatment accorded private placements conducted under Rules 506(b) and 506(c) of Regulation D, which do not require the filing with the Commission of any prescribed offering disclosure document that is subject to Commission staff review. It seems anomalous for Regulation D exempt offerings (for which a disclosure document is not filed with and reviewed by the Commission) to be treated more favorably under Section 18 of the Securities Act than highly regulated New Regulation A+ exempt offerings overseen by the Commission.

With respect to New Regulation A+, Section 18(b)(4) of the Securities Act serves only to preempt primary offerings that satisfy one of the two specified conditions described above. Since the text of section 3(b)(2) of the Securities Act enacted by the JOBS Act embodies a primary offering transaction exemption, the reference made to it in Section 18(b)(4) would not as matter of legal interpretation apply the preemption to secondary trading market transactions. Without the benefit of preemption of state "Blue Sky" regulations that otherwise apply to investors' resale trading transactions, investors in New Regulation A+ offered securities would similarly have to comply with such state regulations (or find an available exemption) when trading their securities in the secondary trading market. This compliance burden is unwarranted and is contrary the policy embodied the NSMIA – to promote efficiency and capital formation in the U.S. financial markets.

Indeed, insofar as resale trading liquidity is concerned, the JOBS Act is internally inconsistent. Section 3(b)(2)(C) of the Securities Act provides that "[t]he securities shall not be restricted securities within the meaning of the Federal securities laws and the regulations promulgated thereunder." This language embodies a policy that clearly suggests that New Regulation A+ offered securities should be freely tradeable without restriction under the Securities Act. It would seem anomalous for securities issued in New Regulation A+ offerings to be freely tradeable without restriction at the Federal level, but not so at the state level. Unless preemption is accorded to resale trading transactions, trading liquidity would be substantially diminished and as a consequence, it is likely that many companies that pursue New Regulation A+ compliant offerings would experience a liquidity discount in pricing their securities. Such a consequence represents an unnecessary increase in their cost of capital contrary to the policy aims of the JOBS Act.

The Commission should confer the benefit of preemption under Section 18 without requiring a national securities exchange listing (and the attendant Exchange Act registration) as was considered in the original H.R. 1070 bill (the proposed Small Company Capital Formation Act of 2011) first introduced by

Congressman David Schweikert. The original bill included an additional provision in Section 18(b)(4) that would have provided the benefit of preemption to New Regulation A+ offered securities that were “offered and sold through a broker or dealer.” Brokers and dealers are required to be registered with the Commission and are subject to know-your-customer and suitability regulation; thus, as an investor protection matter, policy makers should take comfort that a regulated gatekeeper would serve as an intermediary in the transaction. In this regard, we endorse the recommendation of the Federal Regulation of Securities Committee of the Business Law Section of the American Bar Association (the “**ABA**”) that the Commission propose rules that define “qualified purchaser” under Section 3(b)(2) to include a customer of a registered broker-dealer through which the customer acquires securities in a New Regulation A+ offering. As the ABA noted, the broker-dealer would be well placed to make a determination regarding a prospective investor’s sophistication, investment objectives, ability to understand the risks associated with an investment in the Section 3(b)(2) offering, and ability to bear such risks. We recommend that the Commission define “qualified purchaser” in this manner for application in connection with primary offerings as well as in connection with the secondary trading of the securities of issuers of New Regulation A+ offered securities that make available ongoing disclosure in accordance with Commission regulations as contemplated in Section 3(b)(4) of the Securities Act.

#### **CONDITIONAL EXEMPTION FROM EXCHANGE ACT REPORTING**

The Commission should utilize the reduced scale disclosure regime contemplated by Section 401 of the JOBS Act to foster the private sector development of a venture exchange that would provide an organized secondary trading market for the securities issued by emerging growth companies. The key to attracting private sector market participants to develop and operate such a trading market turns on removing a potential disincentive for emerging growth companies to pursue growth capital in the U.S. public equity market even following the promulgation of New Regulation A+.

Following the enactment of the JOBS Act, companies with \$10 million or more in assets and either 2,000 holders of record or 500 holders of record that are not accredited investors must register their securities under Section 12(g) of the Exchange Act (and hence must comply with the full complement of public company periodic reporting and other regulations promulgated under the Exchange, Sarbanes-Oxley and Dodd-Frank Acts). As explained below, the prospect of such an Exchange Act reporting obligation would serve as a disincentive for many emerging growth companies to utilize New Regulation A+ to raise significant amounts of capital. There is a middle ground that the Commission should consider to remove this disincentive, one that fosters transparency through required ongoing disclosure, yet does not subject emerging growth companies to reporting under Section 13(a) of the Exchange Act. To that end, the Commission should consider adopting regulations that provide emerging growth companies that have conducted New Regulation A+ exempt offerings with a reprieve from the obligation to report under the Exchange Act as long as they make available periodic disclosures pursuant to Commission regulation as contemplated in Section 3(b)(4) of the Securities Act. Section 3(b)(4) authorizes the Commission to implement a regime of ongoing reporting by companies that conduct public offerings in reliance on New Regulation A+.

The limited regulatory relief proposed above should not be permanent and should lapse once the company develops into a substantial public company. In this regard, the Commission could appropriately limit such relief to eligible companies as long as they retain their status as small cap companies. In accordance with such legislation, companies that no longer retain such status would in effect “graduate” and become obligated to commence reporting under Section 13(a) of the Exchange Act. In this respect, we propose that Commission consider as a proxy for small cap company status a non-affiliate market

capitalization below \$250 million, which is the threshold the Commission set for defining the mandate of its Advisory Committee on Small and Emerging Companies.

Many emerging growth companies would welcome the opportunity to raise growth capital in the U.S. public equity capital market through New Regulation A+ exempt offerings, but would otherwise not be positioned to incur the cost of ongoing reporting under Section 13(a) of the Exchange Act. Thus, even with the implementation of New Regulation A+, the risk that it would become obligated to register and then report under Section 13(a) under the Exchange Act represents a significant disincentive for an emerging growth company to utilize New Regulation A+ to raise capital in the U.S. public equity capital market. The relief from Exchange Act periodic reporting proposed above would remove this disincentive, but would still advance investor protection through the ongoing, but reduced scale disclosure required by Section 3(b)(4) of the JOBS Act. Emerging growth companies would be able to deploy the capital raised under New Regulation A+ and focus on developing their business without the burdens associated with full periodic reporting under the Exchange Act. Eventually, as an emerging growth company's market capitalization increases to \$250 million, the regulatory relief proposed above would cease and the company would become obligated to commence periodic reporting under Section 13(a) of the Exchange Act.

The preemption of Blue Sky regulation and the adoption of the conditional exemption from Exchange Act periodic reporting proposed above would put in place a legal environment under which emerging growth companies could raise significant growth capital in nationwide public offerings and the securities so issued could be freely traded in a transparent secondary trading market that is informed by ongoing Commission-required, but reduced scale disclosure prescribed under Section 3(b)(4) of the JOBS Act. The potential for there to develop a large pool of eligible publicly traded companies trading with the benefit of Commission regulated transparency will create a significant incentive for the private sector to sponsor and develop an organized trading market to serve such companies. We believe that a trading market of this nature comports with the description of the venture exchange laid out by Commissioner Gallagher.

The regulatory framework under which the private sector can proceed to innovate and develop such an equity market already exists with the Commission's Regulation ATS, a regulation that governs alternative trading systems exempt from registration as national securities exchange under the Exchange Act. The private sector has developed alternative trading systems, such as PORTAL Alliance and SecondMarket™, that facilitate trading in the securities of private companies and there is every reason to believe that private sector market participants will have the incentive to develop an organized trading market that provides trading liquidity for the securities of emerging growth companies that come to market pursuant to offerings conducted in accordance with New Regulation A+.

U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090  
November 26, 2013  
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We would welcome the opportunity to address any part of this letter with the Commission or members of its staff.

Sincerely,

A handwritten signature in black ink that reads "Michael Zuppone". The signature is written in a cursive, slightly slanted style.

Michael L. Zuppone  
of PAUL HASTINGS LLP

MLZ

Red denotes Merit Review State



EXHIBIT A – REGULATION A – BLUE SKY SURVEY

State	Type of Payment	Check Payee	Fee Calculation	Blue Sky Regulation
<b>AK</b>	Check	Department of Commerce, Alaska	Reg Art 7.3 AAC 08.920: \$600 for 1 year (\$500 refundable); \$1,100 for 2 years (\$1,000 refundable)	§45.55.090: Coordination; Merit Review (NASAA guidelines)
AL	Certif. Check	Securities Commissioner of Alabama	\$40 + \$1 per \$1,000; min. \$140; max. \$1,540	§8-6-7: Qualification
AR	Check	Arkansas Securities Department	\$1 per \$1,000; max. \$2,000	§23-42-403: Qualification; Surety bond in amount equally 10% of amount offered in AR.
<b>AZ</b>	Check	Securities Division, Arizona Corporation Commission	\$1 per \$1,000; \$200 min.; \$2,000 max.	Title 44 – Ch. 12 – Art. 7: Qualification; Merit Review; Limited Offering Registration: up to 5,000,000 for Regulation A; \$250 fee.
<b>CA</b>	Check	California Department of Corporations	§25608(f) \$200 + \$2 per \$1,000; max. \$2,500	§25111: Coordination; Heavy Merit Review (R260.140)
CO	Check	Colorado State Treasurer	\$75 Flat (Source: Colorado Fee Schedule)	§11-51-308(1)(p): Exemption from Registration and Filing requirements of §11-51-301/305 if exempt under §3(b) of '33 Act: Form 1-A Filing is a 3(b); Notification Requirement (Reg. §51-3.7: Duplicate SEC filing)
CT	Check	Treasurer, State of Connecticut	§36b-19(b): \$1 per \$1,000; min. \$300; max. \$1,500; nonrefundable	§36b-18: Qualification; Reg 36b-18: Need to include From 1-A Offering Statement
DC	None	None	None	§402(13) & 406: Exemption for Regulation A offerings ( <i>i.e.</i> , exemptions are coordinated so that if exempt under §3(b) of '33 act, then exempt in DC) (Need to file notice of intent to claim exemption)
DE	Check	State of Delaware	\$5 per \$1,000; min. \$200; max. \$1,000	§73-204: Qualification

State	Type of Payment	Check Payee	Fee Calculation	Blue Sky Regulation
<b>FL</b>	Check	Robert F. Milligan, Florida Comptroller	\$1,000 Flat; nonrefundable	§517.081: Registration by Qualification; Merit Review; §517.081.2: <u>Small Corporate Offering Registration</u> (SCOR): incorporates the limit of §3(b) of the '33 act; Form U-7 (Same fee)
<b>GA</b>	Check	Georgia Secretary of State	\$.50 per \$1,000; min. \$250	§10-5-23: Qualification (UNIFORM CODE); Merit Review
<b>HI</b>	Check	Commissioner of Securities, State of Hawaii	\$1 per \$1,000; min. \$250; max. \$2,500	§485A-303: Qualification; Merit Review (UNIFORM CODE); Small Company Offering Registration: max \$1,000,000 aggregate offering price: (Reg 39-3-E)
<b>IA</b>	Check	Insurance Commissioner of Iowa	\$1 per \$1,000; min. \$50; max. \$1,000	§502.303: Coordination; Medium Merit Review
<b>ID</b>	Check	Department of Finance, State of Idaho	\$300 Flat	§30-14-304: Qualification. Merit Review (applies NASAA statements of policy) (UNIFORM CODE)
IL	Check	Secretary of State of Illinois	Reg 130.110: \$150 examination fee; \$250 filing fee nonrefundable	§5.B: Qualification
IN	Check	Indiana Securities Division	§23-19-3-5: \$.50 per \$1,000; min. \$250; max. \$1,000; \$250 nonrefundable	§23-19-3-4: Qualification
<b>KS</b>	Check	Securities Commissioner of Kansas	\$.50 per \$1,000; \$100 min.; \$1,500 max.	§17-12a304: Qualification; Merit Review (UNIFORM CODE)
KY	Check	Kentucky State Treasurer	\$125 examination fee + .60 per \$1,000; min. \$60; max. \$1,200; \$125 nonrefundable	292.360: Coordination
LA	Check	Commissioner of Securities, State of Louisiana	\$1 per \$1,000; \$100 min.; \$1,000 max.	§51:705: Notification or Qualification
<b>MA</b>	Check	Commonwealth of Massachusetts	\$.50 per \$1,000; min. \$300; max. \$1,500	§303: Qualification; Merit Review; SCOR: up to \$5,000,000



State	Type of Payment	Check Payee	Fee Calculation	Blue Sky Regulation
MD	Check	Office of the Attorney General	\$1 per \$1,000; min. \$500; max \$1,500	§11-504: Qualification; SCOR: up to 1,000,000; Form U-7
ME	Check	Securities Administrator, State of Maine	Per Class: \$300 if \$1,000,000 or less offered in Maine; \$1,000 if more than \$1,000,000	§16304: Qualification (UNIFORM CODE); Merit Review
<b>MI</b>	Check	State of Michigan	\$1 per \$1,000; min. \$100; max. \$1,250; \$100 nonrefundable before review commences (no refund after review commences)	§451.2304: Qualification (UNIFORM CODE); Merit Review (NASAA)
<b>MN</b>	Check	State Treasurer	\$100 + \$1 per \$1,000; max. \$300	§80A.52: Qualification; Merit Review (UNIFORM CODE)
<b>MO</b>	Check	Director of Revenue, State of Missouri	\$100 up to \$100,000 in offerings; \$.5 per \$1,000 for every dollar above \$100,000; max. \$1,000	409.3-304: Qualification; Merit Review (UNIFORM CODE)
<b>MS</b>	Check	Secretary of State	\$1 per \$1,000; min. \$300; max. \$1,000	75-71-304: Qualification; Merit Review (UNIFORM CODE)
MT	Check	Montana State Auditor, Securities Commissioner	\$200 for first \$100,000; then \$1 per \$1,000 for excess, min \$200, max. \$1,000; nonrefundable	30-10-204: Coordination
NC	Money order/ Certified check	Secretary of State	\$2,000; nonrefundable	§78A-27: Qualification
ND	Checks	Securities Commissioner of the State of North Dakota	\$1 per \$1,000; min. \$150; max. \$2,500	§10-04-08: Qualification
<b>NE</b>	Corp. check	Dept. of Banking and Finance	\$1 per \$1,000; min. \$100; \$100 nonrefundable.	§8-1107: Qualification; Merit Review (Must clear 5 out of 8 specific NASAA states)
NH	Check	State of New Hampshire	\$2 per \$1,000; max. \$1,050; \$200 nonrefundable	§421-B:14: Qualification

State	Type of Payment	Check Payee	Fee Calculation	Blue Sky Regulation
NJ	Check	State of New Jersey, Bureau of Securities	\$1,000 flat; nonrefundable	49: 3-61: Qualification
<b>NM</b>	Check	Securities Division, State of New Mexico	\$1 per \$1,000 offered; min. \$525; max. \$2,500	§304: Qualification; Merit Review (UNIFORM CODE); SCOR: General Solicitation, \$5,000,000 limit for Regulation A, \$525 fee
NV	Certif. Check	Nevada Secretary of State	\$2 per \$1,000; min. \$700; max. \$5,000	90.490: Qualification
NY	Check	New York State Department of Law	\$300 fee for offerings below \$500,000; \$1,200 fee for offerings above \$500,000; \$75 for each State Notice; \$35 for Consent to Service of Process or U-2 for non-resident issuer	Form M-11 Issuer-dealer registration for issuer direct offerings, Designation and State Notices;
OH	Check	Division of Securities	\$100 + \$1 per \$1,000; min. \$100; max. \$1,000	§1707.091: Coordination
<b>OK</b>	Check	Oklahoma Securities Commission	\$200+ \$1 per \$1,000, min. \$200, max. \$2,500; nonrefundable	§1-304: Qualification; Merit Review (UNIFORM CODE)
<b>OR</b>	Check	State of Oregon	Ch. 441-65-001: \$1 per \$1,000; min. \$200; max. \$1,500	Reg Ch.441-65-020: Register by qualification; solicitations of interest permitted 441-35-045
<b>PA</b>	Check	Commonwealth of Pennsylvania	\$750, if the maximum aggregate offering price is less than \$10 million; \$1,000 if the maximum aggregate offering price is \$10 million or more.	§205: Coordination; Merit Review
RI	Bank Draft /Certified Check	Dept. of Business Regulation -- Securities Division	\$1 per \$1,000; min. \$300; max. \$1,000	§7-11-304: Qualification; Uniform Limited Offering Registration (Rule 304(c)-1): Incorporates the Regulation A limit as defined by the Federal securities laws; must be a non-reporting company; U-7 Form (Incorporation by reference).
<b>SC</b>	Certified/ Cashier's Check	Secretary of State of South Carolina	\$500 flat; nonrefundable	§35-1-304 Qualification (UNIFORM CODE); Merit Review

State	Type of Payment	Check Payee	Fee Calculation	Blue Sky Regulation
<b>SD</b>	Check	Division of Securities	\$1 per \$1,000 on the first \$500,000; \$500 plus \$.75 per \$1,000 of the excess over \$500,000; min. \$100 and max. \$2,000	§47-31B-304: Qualification; Merit Review (UNIFORM CODE)
<b>TN</b>	Check	Commissioner of Commerce & Insurance	\$1 per \$1,000; min. \$300; max. \$1,000	§48-2-105: Coordination; Merit Review
<b>TX</b>	Certified /Cashier check /money order	State Securities Board	\$1 per \$1,000 + \$100 filing fee	Art 581-7: Qualification or Notification (if meet requirements); Merit Review
UT	Check	Division of Securities	\$300 flat	§61-1-9: Coordination
VA	Check	Treasurer of Virginia	\$1 per \$1,000, min. \$250; max. \$500	§13.1-510: Qualification
<b>VT</b>	Check	Treasurer of State of Vermont	\$600; nonrefundable	§5304: Qualification; Merit Review (UNIFORM CODE)
<b>WA</b>	Check	Washington State Treasurer	\$100 + \$.25 per \$1,000 over \$100,000; no maximum	§21.20.180: Coordination; Merit review (adopted NASAA statement of policy: WAC460-16A-205)
<b>WI</b>	Check	Officer of Commissioner of Securities	\$1,500 flat; nonrefundable	§551.304: Qualification; (UNIFORM CODE); Merit Review
WV	Check	State Auditor	\$.50 per \$1,000; min. \$50; nonrefundable	§32-3-304: Qualification
WY	Check	Secretary of State	\$.20 per \$1,000; min. \$200; max \$600; \$100 nonrefundable	17-4-109: Coordination; SCOR: Small Corporate Offering Registration: up to \$5,000,000 for Regulation A; U-7 Form (Same fees apply)

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