Question 271.14

Question: A foreign issuer intends to conduct a Rule 701 offering exceeding the $~~5~~10 million threshold in Rule 701(e). Is the issuer required under Rule 701(e)(4) to deliver to investors financial statements that are no more than 180 days old, or can the issuer deliver its annual and interim financial statements only at the frequency required of foreign issuers that are Exchange Act reporting companies?

Answer: The issuer must follow the 180-day requirement, regardless of whether it furnishes financial statements reconciled to U.S. GAAP or prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, both of which are allowed under Rule 701(e)(4). The 180-day requirement effectively means that the financial statements must be available on at least a quarterly basis unless sales of securities are limited to particular times of the year. [~~Jan. 26~~March 6, ~~2009~~2026]