

## Summary of ENACTED Intrastate Crowdfunding Exemptions (as of July, 2016) – PART 1 OF 4

Any offer or sale of securities that uses the “jurisdictional means” (the mails, phones, internet) must be registered under the federal Securities Act of 1933 (the “Securities Act”) or be made in accordance with an exemption from that registration. Such exemptions apply ONLY to registration of the offering; issuers are still subject to liability under the federal antifraud laws. Similarly, if issuers acquire a specified number of equity holders, they will be required to register under the federal Securities Exchange Act of 1934. Further, any intermediary used in connection with a securities offering MAY be subject to applicable federal and state broker-dealer and/or other registration requirements.

The federal exemption most frequently relied on for intrastate offerings is Section 3(a)(11) of the Securities Act, but Rule 504 of the of the Securities Act is also used. Resale/transfer of securities sold through intrastate offerings will be restricted based on the underlying federal exemption. If the intrastate offering relies on Section 3(a)(11), the securities will have to “come to rest” (9 month requirement under SEC Rule 147) in the respective state before they can be transferred. If the intrastate offering relies on Rule 504, the securities will be “restricted” securities and subject to the restrictions on transfer provide in the Securities Act.

Potential liabilities for issuers and intermediaries in connection with intrastate offerings include, among others, anti-fraud liability under § 12(a)(2) of the Securities Act and Rule 10b-5 under the Exchange Act, as well as the respective applicable state securities anti-fraud liability statutes (some of which are identified below).

NOTE: Links to the full exemptions for these states are available [HERE](#).

**DISCLAIMER:** Nothing in this chart is, or is intended to be, legal advice. The information herein is provided for informational purposes ONLY and YOU SHOULD CONSULT WITH YOUR ATTORNEY before using any of this information. Further, **NO REPRESENTATION OR WARRANTY** is made as to the accuracy or use of any of information contained in this chart and there shall be **NO DUTY**, express or implied, on the authors or any other person to update any of the information herein.

STATE	ALABAMA	ARIZONA	COLORADO	DISTRICT OF COLUMBIA	FLORIDA	GEORGIA	IDAHO	ILLINOIS
<b>Title</b>	SB 44	HB 2591	HB 14-1079	Final Rules (26 DCMR § 250)	HB 275	Invest Georgia Exemption	By Administrative Order (2012 - Treasure Valley Angel Fund, LLC); <i>Decided on a case by case basis</i>	HB 3429 ( <i>see Note 4 below</i> ) ( <a href="http://www.illinoiscrowdfundignow.com">www.illinoiscrowdfundignow.com</a> )
<b>Statute citation</b>	Code of Ala. 1975, § 8-6-11	A.R.S. § 44-1844, as amended by proposed bill	C.R.S. § 11-51-304(6)	Proposed new section - Title 26, Subtitle B, Chapter 2, Section 250	Fla. Stat. §§517.011 et seq., as amended by proposed bill	GA Comp. R. & Regs. § 590-4-2-.08	Idaho Code §§ 30-14-203 and 30-14-301	§§ 815 ILCS 5/1, et seq., as amended by proposed bill
<b>Date enacted</b>	January 23, 2014	April 1, 2015	March 27, 2014	October 24, 2014	June 16, 2015	December 8, 2011	First Admin. Order - July 2, 2012	May 20, 2015
<b>Effective Date</b>	April 8, 2014	July 3, 2015	August 5, 2015	October 24, 2014	October 1, 2015	December 8, 2011	July 2, 2012	January 1, 2016
<b>Exemption from federal registration relied upon (see Note 1 below)</b>	Section 3(a)(11) of the Securities Act	Section 3(a)(11) of the Securities Act and Rule 147	Section 3(a)(11) of the Securities Act	Section 3(a)(11) of the Securities Act and Rule 147	Section 3(a)(11) of the Securities Act and Rule 147	Section 3(a)(11) of the Securities Act	Section 3(a)(11) of the Securities Act	Section 3(a)(11) of the Securities Act
<b>Companies permitted to use the exemption</b>	Only available to companies:  • organized and doing business in the state;  excludes investment companies, SEC reporting companies, and blank check companies	Only available to companies:  • organized and doing business in the state; • who have their principal office and the majority of their full-time employees in the state; and	Only available to companies:  • organized and doing business in the state; • who have their principal office and the majority of their full-time employees in the state; and	Only available to companies:  • organized and doing business in the district; and • whose principal office is in the district;  excludes investment	Only available to companies:  • organized and doing business in the district; and • whose principal office is in the district;  excludes not-for-profit	Only available to companies:  • organized and doing business in the state;  excludes investment companies, SEC reporting companies, and blank check companies	Only available to companies:  • organized and doing business in the state; • who have at least 80% of their assets in the state prior to the offering; and • who will use at least	Only available to companies organized and doing business in the state;  excludes investment companies, SEC reporting companies, and blank check companies

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		<ul style="list-style-type: none"> <li>where at least 80% of the net proceeds from the offering are to be used in the state</li> </ul> <p>excludes investment companies, SEC reporting companies, and blank check companies</p>	<ul style="list-style-type: none"> <li>where at least 80% of the net proceeds from the offering are to be used in the state</li> </ul>	companies, SEC reporting companies, and blank check companies	companies, investment companies, SEC reporting companies, and blank check companies		80% of the offering proceeds in the state;	excludes sole proprietorships, general partnerships, investment companies, SEC reporting companies, and blank check companies
<b>Aggregate annual sales limit</b>	Limited to:  • \$1,000,000	Limited to:  • \$2,500,000 if issuer provides independently audited GAAP fin. statements;  <u>OTHERWISE</u>  • \$1,000,000	Limited to:  • \$1,000,000	Limited to:  • \$2,000,000 if issuer provides independently audited GAAP fin. statements;  <u>OR</u>  • \$1,000,000 if issuer provides independently reviewed GAAP fin. statements;  <u>OTHERWISE</u>  • \$500,000	Limited to:  • \$1,000,000	Limited to:  • \$5,000,000	Limited to:  • \$2,000,000	Limited to:  • \$4,000,000 if issuer provides independently audited and officer certified fin. statements;  <u>OTHERWISE</u>  • \$2,000,000
<b>State registration requirements</b>	Form CF1 filed not less than 10 days before any general solicitation or within fifteen days after the first sale of a security	Must file with the office no later than 10 days before any offer:  • Notification of intent to rely on exemption; • Copy of Escrow Agreement; and • Copies of Business Plan, PPM (and all other docs. Given to investors) and all adv. materials	Form RL and Consent to Service of Process filed before any general solicitation in the state	Must file with commission no later than 20 days before any offer:  • Notification of intent to rely on exemption	Must file with the office no later than 10 days before any offer:  • Notification of intent to rely on exemption; • Issuer Information (including documentation evidencing issuers formation within the state); • Names of all persons involved with the offering; • Name of escrowee institution; • Target offering amount; and • Attestation that no control person is subject to disqualification	Form GA-1 filed before any general solicitation or the twenty-fifth sale of a security	Must file with DOF before any general solicitation:  • Notification of intent to rely on exemption; • Issuer Information; • Names of all persons involved with the offering; • Name of escrowee institution; • Copies of Business Plan, PPM (and all other docs. Given to investors) and all adv. materials; and • Balance and Income Statements in accordance with GAAP	Must file with commission before earlier of first sale or any general solicitation (other than the permitted "general announcement"):  • Notification of intent to rely on exemption; • Issuer Information (including documentation evidencing issuers formation within the state); • Names of all persons involved with the offering; and • Copy of Escrow Agreement
<b>Internet Offering Portal</b>	Silent as to use of Inter-	Offering must be made	Silent as to use of Inter-	Offering may be made	Offering may be made	Silent as to use of Inter-	Silent as to use of Inter-	Offering is made exclu-

STATE	ALABAMA	ARIZONA	COLORADO	DISTRICT OF COLUMBIA	FLORIDA	GEORGIA	IDAHO	ILLINOIS
<b>requirements or restrictions (see Note 2 below)</b>	net Offering Portal  Silent as to required registration of Offering Portal as broker-dealer	through one or more Internet Offering Portals  Offering Portal not required to register as a broker-dealer if all applicable conditions met	net Offering Portal  Silent as to required registration of Offering Portal as broker-dealer	through one or more Internet Offering Portals  Offering Portal must be operated by the issuer, registered broker-dealer, or registered "Funding Portal"  Offering Portal and its operators must be in compliance with all District, SEC and FINRA requirements	through one or more Internet Offering Portals  Offering Portal not required to register as a broker-dealer if all applicable conditions met  Offering Portal must register generally with the state (renewed annually)	net Offering Portal  Offering Portal not required to register as a broker-dealer if all applicable conditions met	net Offering Portal  Silent as to required registration of Offering Portal as broker-dealer	sively through one or more Internet Offering Portals  Offering Portal not required to register as a broker-dealer if all applicable conditions met  Offering Portal must register generally with the state (renewed annually)
<b>Escrowee requirements or restrictions</b>	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be authorized to transact business in the state	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be an insured institution authorized to transact business in the state	Silent as to requirement to use escrowee.	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be chartered, and authorized to transact business, in the district	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be an FDIC insured institution authorized to transact business in the state	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be authorized to transact business in the state	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be authorized to transact business in the state	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be authorized to transact business in the state and must meet certain licensing and registration requirements
<b>Annual Investment/Sale Limitations (per Issuer to an Investor) per issue annual investor limits</b>	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$5,000, per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$10,000 per investor	Silent	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  For an investor who is "natural persons:" • \$10,000, per investor, if the investor's gross income is less than \$100,000  <u>OR</u> • \$25,000, per investor, if the investor's gross income is greater than \$100,000 but less than \$200,000  For an investor who is not a "natural person:"  • \$0, unless and until	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • The lesser of \$2,000 or 5% of the investor's annual net worth, per investor per year, if the investor's annual gross income and net worth is less than \$100,000  <u>OR</u> • The lesser of \$100,000 or 10% of the investor's annual net worth, per investor per year, if the investor's annual gross income or net worth is greater than \$100,000	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$10,000, per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • The lesser of \$2,500 or 10% of the investor's net worth (excluding home, auto and furnishings), per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$5,000 per investor, per offering

STATE	ALABAMA	ARIZONA	COLORADO	DISTRICT OF COLUMBIA	FLORIDA	GEORGIA	IDAHO	ILLINOIS
Required disclosure to investors (see Note 3 below)	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer               <ul style="list-style-type: none"> <li>Intended use of proceeds</li> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer               <ul style="list-style-type: none"> <li>Intended use of proceeds</li> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer               <ul style="list-style-type: none"> <li>Intended use of proceeds</li> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer;               <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer;               <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer               <ul style="list-style-type: none"> <li>Intended use of proceeds</li> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer               <ul style="list-style-type: none"> <li>Intended use of proceeds</li> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer;               <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul>
	<p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Any other information material to the offering</li> </ul>	<p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Required disclosure regarding non-registration of securities;</li> <li>Identity of all persons owning &gt; 10% of any class of securities of Issuer;</li> <li>Identity of all officers, directors, etc. of Issuer;               <ul style="list-style-type: none"> <li>Target amount and deadline;</li> </ul> </li> <li>Identification of solicitors and intermediaries, along with compensation;</li> <li>Current litigation or legal proceedings;</li> <li>Financial statements;</li> <li>Right of cancellation within 48 hours of offering deadline;</li> <li>Any other information material to the offering</li> </ul>	<p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Identifying information about every officer and director of the issuer</li> <li>Amount of authorized and issued securities of the issuer</li> <li>Identification of solicitors and intermediaries, along with compensation;</li> <li>Any other information material to the offering</li> </ul>	<p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Required disclosure regarding non-registration of securities;</li> <li>Identity of all persons owning &gt; 10% of any class of securities of Issuer;</li> <li>Identity of all officers, directors, etc. of Issuer;</li> <li>Identification of the minimum and maximum amount of securities to be sold and deadline for closing of offering;</li> <li>Identification of solicitors and intermediaries, along with compensation;</li> <li>Current litigation or legal proceedings;</li> <li>Five year business plan;</li> <li>Financial statements;</li> <li>Any other information material to the offering</li> </ul>	<p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Required disclosure regarding non-registration of securities;</li> <li>Identity of all persons owning &gt; 20% of any class of securities of Issuer;</li> <li>Identity of all officers, directors, etc. of Issuer;</li> <li>Financial condition (incl. Financial statements certified by Issuer executive and prepared in accordance with GAAP, as applicable, and tax returns, as applicable);               <ul style="list-style-type: none"> <li>Right of cancellation within 3 business days;</li> </ul> </li> <li>Any other information material to the offering</li> </ul>	<p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Current litigation or legal proceedings;</li> </ul>	<p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Financial condition (incl. Financial statements certified by Issuer executive and prepared in accordance with GAAP);               <ul style="list-style-type: none"> <li>Target amount and deadline;</li> <li>Valuation;</li> </ul> </li> <li>Current capitalization of the issuer;</li> <li>Any other information material to the offering</li> </ul>	<p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Financial condition (incl. Financial statements certified by Issuer executive and audited, as applicable);               <ul style="list-style-type: none"> <li>Identification of the minimum and maximum amount of securities to be sold and deadline for closing of offering;</li> </ul> </li> <li>Copy of Escrow Agreement;</li> <li>Identity of all persons owning &gt; 10% of the voting securities of Issuer;</li> <li>Identity of all officers, directors, etc. of Issuer;</li> <li>Identification of solicitors and intermediaries, along with compensation;</li> <li>Right of cancellation if minimum offering amount not met before deadline;</li> <li>Any other information material to the offering</li> </ul>
Restrictions on advertising and communications	General solicitation permitted after filing Form CF1	Silent	General solicitation permitted after filing Form RL	General solicitation directed to district residents after filing of notice with commission	Silent	General solicitation permitted after filing Form GA-1	Silent	General solicitation permitted but Issuer (and any Internet Offering Portal used) must take commercially reasonable measures to limit access to offer information to residents of the state

STATE	ALABAMA	ARIZONA	COLORADO	DISTRICT OF COLUMBIA	FLORIDA	GEORGIA	IDAHO	ILLINOIS
<b>Ongoing reporting requirements</b>	Silent	Quarterly (internally prepared) reports to investors covering business operations, financial condition, and compensation to directors and officers; may satisfy by posting on its own website or through a qualified Internet Offering Portal w/in 45 days after the end of each fiscal quarter of Issuer	Silent	Annual (internally prepared) reports to investors and the commission covering business operations, financial condition, and compensation to directors and officers; may satisfy by posting on its own website w/in 60 days after the end of each fiscal year of Issuer	Annual financial reports to investors and the state covering business operations, financial condition, and compensation to directors and officers	Silent	Silent	(NOTE: Allows for "general announcement" subject to limitations) Quarterly (internally prepared) reports to investors covering business operations, financial condition, and compensation to directors and officers; may satisfy by posting on its own website or through a qualified Internet Offering Portal w/in 45 days after the end of each fiscal quarter of Issuer
<b>Disqualification from exemption</b>	Bad Actor disqualification (Same Defn. as Rule 506(d))	General disqualifications for one or more of the reasons under Section 3(a)(11) of the Securities Act or 17 CFR 230.262	Bad Actor disqualification (Same Defn. as Rule 506(d))	Issuer disqualification as under Regulation A (17 CFR 230.262)	Bad Actor disqualification (Same Defn. as Rule 506(d))	Bad Actor disqualification (Same Defn. as Rule 506(d))	Bad Actor disqualification (Same Defn. as Rule 506(d))	Bad Actor disqualification (Same Defn. as Rule 506(d))
<b>Applicable state securities law anti-fraud liability</b>	Potential liabilities include § 8-6-18 and § 8-6-19 of the Alabama Securities Act	Potential liabilities include Article 14 and Article 16 of the Arizona Securities Act	Potential liabilities include § 11-53-109 and § 11-53-204 of the Colorado Securities Act	Potential liabilities include Title 31 §§ 31-5606.04 and 31-5606.05 of the D.C. Securities Act	Potential liabilities include § 517.191 and § 517.302 of the Florida Securities Act	Potential liabilities include § 10-5-13, § 10-5-14 and § 10-5-24 of the Georgia Securities Act	Potential liabilities include § 30-14-508 and § 30-14-509 of the Idaho Code	Potential liabilities include § 815 ILCS 5/13 and § 815 ILCS 5/14 of the Illinois Securities Act

1. The Section 3(a)(11) exemption from federal registration is generally known as the "intrastate offering exemption." SEC Rule 147 provides a safe harbor from federal regulation for issuers relying on the Section 3(a)(11) intrastate offering exemption. To qualify for this exemption, the company must: (1) be organized in the state where it is offering the securities; (2) carry out a significant amount of its business in that state; and (3) make offers and sales only to residents of that state. For instance, a corporation organized under the laws of Delaware and does business in Georgia would not qualify for the exemption. Additionally, issuers engaging in general solicitation under the exemptions must take care that they do not make offers of securities outside the state.
2. The SEC has recently provided guidance on compliance with use of the internet for intrastate offerings. See SEC Securities Act Compliance and Disclosure Interpretations ("CD&Is") questions 141.03, 141.04, 141.05, <http://www.sec.gov/divisions/corpfin/guidance/securitiesactrules-interps.htm>. Of note, any online solicitation, whether done by the issuer or third-party investment platform, must be restricted to intrastate offerees
3. Some identified "disclosures" may represent best practice suggestions rather than statutorily required disclosures.
4. Some of the provisions identified in the summary above for Illinois were originally included in HB3429 but were subsequently removed from the bill. The intent of removing these provisions is to, upon the passing of the bill, include such provisions as administrative rules. As a result, the above summary represents both the current version of HB 3429 as well as the intended related administrative rules.

## Summary of ENACTED Intrastate Crowdfunding Exemptions (as of July, 2016) – PART 2 OF 4

Any offer or sale of securities that uses the “jurisdictional means” (the mails, phones, internet) must be registered under the federal Securities Act of 1933 (the “Securities Act”) or be made in accordance with an exemption from that registration. Such exemptions apply ONLY to registration of the offering; issuers are still subject to liability under the federal antifraud laws. Similarly, if issuers acquire a specified number of equity holders, they will be required to register under the federal Securities Exchange Act of 1934. Further, any intermediary used in connection with a securities offering MAY be subject to applicable federal and state broker-dealer and/or other registration requirements.

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Potential liabilities for issuers and intermediaries in connection with intrastate offerings include, among others, anti-fraud liability under § 12(a)(2) of the Securities Act and Rule 10b-5 under the Exchange Act, as well as the respective applicable state securities anti-fraud liability statutes (some of which are identified below).

NOTE: Links to the full exemptions for each of the states identified below are available [HERE](#).

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STATE	IOWA	INDIANA	KANSAS	KENTUCKY	MAINE	MARYLAND	MASSACHUSETTS	MICHIGAN
<b>Title</b>	HB 632	SB 375	Invest Kansas Exemption	HB 76	An Act to Increase Funding for Start-ups	SB 811; HB 1243	Rule § 950 CMR 14.402(B) (13)(o)	Public Act 264
<b>Statute citation</b>	Iowa Code § 502.101 et seq., as amended by proposed bill	IC § 23-19-2-2(27)	K.A.R. § 81-5-21	Proposed new sections – Kentucky Revised Statutes §§ 292.410 to 292.415	32 MRSA § 16304, sub-§6-A	Md. Ann. Code, Corps. & Ass’ns, §§ 11-101; 606, and 601	Rule § 950 CMR 14.402(B) (13)(o)	MCL § 451.2102A, ET SEQ., as amended by Public Act 264
<b>Date enacted</b>	July 2, 2015	April 2, 2014	August 12, 2011	March 19, 2014	March 2, 2014	May 15, 2014	January 15, 2015	December 30, 2013
<b>Effective Date</b>	December 30, 2015	July 1, 2014	August 12, 2011	June 24, 2014	March 2, 2014	January 1, 2011	January 15, 2015	December 30, 2013
<b>Exemption from federal registration relied upon (see Note 1 below)</b>	Silent	Section 3(a)(11) of the Securities Act	Section 3(a)(11) of the Securities Act	Section 3(a)(11) of the Securities Act and Rule 147	Rule 504 of Regulation D	Section 3(a)(11) of the Securities Act	Section 3(a)(11) of the Securities Act and Rule 147	Section 3(a)(11) of the securities act
<b>Companies permitted to use the exemption</b>	Only available to companies organized and doing business in the state;  excludes investment companies, SEC reporting companies, and blank check companies	Only available to companies:  • organized and doing business in the state;  excludes investment companies, SEC reporting companies, and blank check companies	Only available to companies:  • organized and doing business in the state;  excludes investment companies, SEC reporting companies, and blank check companies	Only available: to companies:  • organized and doing business in the state;  • otherwise meets the requirement for “residency” as an investor under Section 3(a)(11) of the Securities Act and Rule 147;  excludes investment companies, SEC report-	Available to companies:  • organized and doing business in the state; • organized in other states so long as such company is qualified to, and is, doing business in the state  excludes SEC reporting companies and blank check companies	Only available to companies:  • organized and doing business in the state;	Only available to companies:  • organized and doing business in the state; and • who have their principal office in the state;  excludes investment companies, sec reporting companies, blank check companies, and petroleum/ extractive based companies	Only available to companies:  • organized and doing business in the state;  excludes investment companies, sec reporting companies, and blank check companies

STATE	IOWA	INDIANA	KANSAS	KENTUCKY	MAINE	MARYLAND	MASSACHUSETTS	MICHIGAN
<b>Aggregate annual sales limit</b>	Limited to: • \$1,000,000	Limited to: • \$2,000,000 if issuer provides independently audited GAAP fin. statements; <u>OTHERWISE</u> • \$1,000,000	Limited to: • \$1,000,000	Limited to: • \$2,000,000 if issuer provides independently audited GAAP fin. statements; <u>OTHERWISE</u> • \$1,000,000  <u>NOTE:</u> Offering cap amounts will be increased every 5 years for CPI changes	Limited to: • \$1,000,000	Limited to: • \$100,000	Limited to: • \$2,000,000 if issuer provides independently audited fin. statements; <u>OTHERWISE</u> • \$1,000,000  <u>NOTE:</u> Offerings made to one or more of the following excluded from the above limitations: officers, directors, partners, trustees, persons owning > 10% of any class of securities of Issuer	Limited to: • \$2,000,000 if issuer provides independently audited fin. statements; <u>OTHERWISE</u> • \$1,000,000
<b>state registration requirements</b>	Must file with administrator before any offer:  • Notification of intent to rely on exemption (form and additional required disclosures TBD);	Filing required at least 10 days before any offer on the SEC Form D	Form IKE filed before any general solicitation or the twenty-fifth sale of a security	Must file with commission no later than 10 days before any offer:  • Notification of intent to rely on exemption; A copy of the required disclosures provided to prospective purchasers	Short form registration statement; Form D required to be filed with the SEC	Notice required but rules not finalized	Must file with commission no later than 15 days after the first sale:  • Notification of intent to rely on exemption; • Issuer Information (including names and addresses of all executives and all owners of more than a 10% interest); • A copy of the advertising materials; • Identification of all intermediaries (incl. all Internet Offering Portals); • A copy of all offering materials; and • A Form U-2 consent to service of process	Filing required at least 10 days before any offer is made or any general solicitation
<b>Internet Offering Portal requirements or restrictions (see Note 2 below)</b>	Offering is made exclusively through one or more registered brokers or Internet Offering Portals  Offering Portal not required to register as a broker-dealer if all applicable conditions met	Offering is made exclusively through one or more Internet Offering Portals  Offering Portal not required to register as a broker-dealer if all applicable conditions met	Silent as to use of Internet Offering Portal  Silent as to required registration of Offering Portal as broker-dealer	Offering is made exclusively through one or more Internet Offering Portals  Offering Portal not required to register as a broker-dealer if all applicable conditions met	Silent as to use of Internet Offering Portal  Silent as to required registration of Offering Portal as broker-dealer	Silent as to use of Internet Offering Portal  Silent as to required registration of Offering Portal as broker-dealer	Offering may be made through one or more Internet Offering Portals (silent as to use of issuer's internet website)  Silent as to required registration of Offering Portal as broker-dealer	Offering may be made through an Internet Offering Portal  Offering Portal not required to register as a broker-dealer if all applicable conditions met

STATE	IOWA	INDIANA	KANSAS	KENTUCKY	MAINE	MARYLAND	MASSACHUSETTS	MICHIGAN
	cable conditions met			Offering Portal must register with the state (renewed annually; NOTE: with registration, Offering Portal required to post surety bond of at least \$50 k with the state				
Escrowee requirements or restrictions	Silent (final admin rules TBD)	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be authorized to transact business in the state	Silent as to requirement to use escrowee.	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be located in the state and FDIC insured	Not specifically required; provided however, issuer must segregate offering funds in separate account until minimum offering amount satisfied	Silent as to requirement to use escrowee.	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be authorized to transact business in the state	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be located in the state
Annual Investment/Sale Limitations (per Issuer to an Investor) per issue annual investor limits	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$5,000 per investor, per offering  NOTE: Treats relatives, spouses and people in same residence as “one investor”	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$5,000, per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$1,000, per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$10,000 per investor, per offering	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$5,000, per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$100, per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • the greater of \$2,000 or 5% of the investor’s income or net worth, <u>IF</u> the investor’s income or net worth is less than \$100,000;  <u>OR</u>  • 10% of the investor’s income or net worth up to \$100,000, <u>IF</u> the investor’s income or net worth is greater than \$100,000	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$10,000 per investor
Required disclosure to investors (see Note 3 below)	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer; <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul> <p><u>AND</u></p> <ul style="list-style-type: none"> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer <ul style="list-style-type: none"> <li>Intended use of proceeds</li> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul> <p><u>AND</u></p> <ul style="list-style-type: none"> <li>Target amount and deadline;</li> <li>Identification of solic-</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer <ul style="list-style-type: none"> <li>Intended use of proceeds</li> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul> <p><u>AND</u></p> <ul style="list-style-type: none"> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer; <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul> <p><u>AND</u></p> <ul style="list-style-type: none"> <li>Required disclosure regarding non-registration of securities;</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer <ul style="list-style-type: none"> <li>Intended use of proceeds</li> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul> <p><u>AND</u></p> <ul style="list-style-type: none"> <li>Financial condition (incl. Financial statements certified by Issuer executive,</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer <ul style="list-style-type: none"> <li>Intended use of proceeds</li> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul> <p><u>AND</u></p> <ul style="list-style-type: none"> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer; <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul> <p><u>AND</u></p> <ul style="list-style-type: none"> <li>Required disclosure regarding non-registration of securities;</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer; <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul> <p><u>AND</u></p> <ul style="list-style-type: none"> <li>Target amount and deadline;</li> <li>Identification of solic-</li> </ul>

STATE	IOWA	INDIANA	KANSAS	KENTUCKY	MAINE	MARYLAND	MASSACHUSETTS	MICHIGAN
	NOTE: Final required disclosures TBD by admin rule	tors and intermediaries, along with compensation; •Current litigation or legal proceedings; •Any other information material to the offering		<ul style="list-style-type: none"> <li>•Identity of all persons owning &gt; 10% of any class of securities of Issuer;</li> <li>• Identity of all officers, directors, etc. of Issuer;</li> <li>•Identification of the minimum and maximum amount of securities to be sold and deadline for closing of offering;</li> <li>•% of the company represented by the offered securities (or % of the valuation of the company represented by the price of the offered securities);</li> <li>•Identification of solicitors and intermediaries, along with compensation;</li> <li>• Current litigation or legal proceedings;</li> <li>• Financial statements;</li> <li>•Any other information material to the offering</li> </ul>	<p>reviewed by CPA, or audited by CPA for raises of less than \$100,000, between \$100,000 and \$500,000, and greater than \$500,000, respectively)</p> <ul style="list-style-type: none"> <li>•Target amount and deadline</li> <li>•Valuation</li> </ul> <p>•Current capitalization of the issuer</p> <p>•Any other information material to the offering</p>		<ul style="list-style-type: none"> <li>•Identity of all persons owning &gt; 10% of any class of securities of Issuer;</li> <li>• Identity of all officers, directors, etc. of Issuer and their experience;</li> <li>•identification of solicitors and intermediaries, along with compensation</li> <li>• current litigation or legal proceedings</li> </ul> <p>Names and addresses of all Offering Portals</p> <ul style="list-style-type: none"> <li>•any other information material to the offering</li> </ul>	tors and intermediaries, along with compensation; • Current litigation or legal proceedings; •Any other information material to the offering
Restrictions on advertising and communications	Silent	Public communication restricted to Internet site	General solicitation permitted after filing Form IKE	General solicitation permitted after filing of notice	Silent	Silent	General solicitation permitted	General solicitation permitted after filing with state
Ongoing reporting requirements	Silent (final admin rules TBD)	Quarterly reports to investors and the state covering business operations, financial condition, and compensation to directors and officers	Silent	Quarterly (internally prepared) reports to investors covering business operations, financial condition, and compensation to directors and officers; may satisfy by posting on its own website or through a qualified Internet Offering Portal w/in 45 days after the end of each fiscal quarter of Issuer	Silent	Silent	Silent	Quarterly reports to investors covering business operations, financial condition, and compensation to directors and officers
Disqualification from exemption	General disqualifications for one or more of the reasons under Section 926 of the Dodd Frank Act or subsequent admin rule of the State	Bad Actor disqualification (Same Defn. as Rule 506(d))	Bad Actor disqualification (Same Defn. as Rule 506(d))	Bad Actor disqualifications for one or more of the reasons under K.R.S. § 292.410(q)	Bad Actor disqualification (Same Defn. as Rule 506(d))	Bad Actor disqualification (Same Defn. as Rule 506(d))	Bad actor disqualification (see 950 CMR 14.402(B)(13)(o)(10))	Bad actor disqualification (same Defn. as rule 506(d))

STATE	IOWA	INDIANA	KANSAS	KENTUCKY	MAINE	MARYLAND	MASSACHUSETTS	MICHIGAN
Applicable state securities law anti-fraud liability	Potential liabilities include § 502.508 and § 502.509 of the Iowa Securities Act	Potential liabilities include § 23-19-5 of the Indiana Uniform Securities Act		Potential liabilities include § 292.470 and § 292.480 of the Kentucky Securities Act	Potential liabilities include Title 32 § 16508 or Title 32 § 16509 of the Maine Revised Statutes	Potential liabilities include § 11-703 and § 11-705 of the Maryland Securities Act	Potential liabilities include Ch. 110A § 409 and Ch. 110A § 410 of the Massachusetts Securities Act	Potential liabilities include § 451.2508 AND § 451.2509 of the Michigan uniform securities act

1. The Section 3(a)(11) exemption from federal registration is generally known as the "intrastate offering exemption." SEC Rule 147 provides a safe harbor from federal regulation for issuers relying on the Section 3(a)(11) intrastate offering exemption. To qualify for this exemption, the company must: (1) be organized in the state where it is offering the securities; (2) carry out a significant amount of its business in that state; and (3) make offers and sales only to residents of that state. For instance, a corporation organized under the laws of Delaware and does business in Georgia would not qualify for the exemption. Additionally, issuers engaging in general solicitation under the exemptions must take care that they do not make offers of securities outside the state.
2. The SEC has recently provided guidance on compliance with use of the internet for intrastate offerings. See SEC Securities Act Compliance and Disclosure Interpretations ("CD&Is") questions 141.03, 141.04, 141.05, <http://www.sec.gov/divisions/corpfin/guidance/securitiesactrules-interps.htm>. Of note, any online solicitation, whether done by the issuer or third-party investment platform, must be restricted to intrastate offerees
3. Some identified "disclosures" may represent best practice suggestions rather than statutorily required disclosures.

## Summary of ENACTED Intrastate Crowdfunding Exemptions (as of July, 2016) – PART 3 OF 4

Any offer or sale of securities that uses the “jurisdictional means” (the mails, phones, internet) must be registered under the federal Securities Act of 1933 (the “Securities Act”) or be made in accordance with an exemption from that registration. Such exemptions apply ONLY to registration of the offering; issuers are still subject to liability under the federal antifraud laws. Similarly, if issuers acquire a specified number of equity holders, they will be required to register under the federal Securities Exchange Act of 1934. Further, any intermediary used in connection with a securities offering MAY be subject to applicable federal and state broker-dealer and/or other registration requirements.

The federal exemption most frequently relied on for intrastate offerings is Section 3(a)(11) of the Securities Act, but Rule 504 of the of the Securities Act is also used. Resale/transfer of securities sold through intrastate offerings will be restricted based on the underlying federal exemption. If the intrastate offering relies on Section 3(a)(11), the securities will have to “come to rest” (9 month requirement under SEC Rule 147) in the respective state before they can be transferred. If the intrastate offering relies on Rule 504, the securities will be “restricted” securities and subject to the restrictions on transfer provide in the Securities Act.

Potential liabilities for issuers and intermediaries in connection with intrastate offerings include, among others, anti-fraud liability under § 12(a)(2) of the Securities Act and Rule 10b-5 under the Exchange Act, as well as the respective applicable state securities anti-fraud liability statutes (some of which are identified below).

**NOTE:** Links to the full exemptions for each of the states identified below are available [HERE](#).

**DISCLAIMER:** Nothing in this chart is, or is intended to be, legal advice. The information herein is provided for informational purposes ONLY and YOU SHOULD CONSULT WITH YOUR ATTORNEY before using any of this information. Further, NO REPRESENTATION OR WARRANTY is made as to the accuracy or use of any of information contained in this chart and there shall be NO DUTY, express or implied, on the authors or any other person to update any of the information herein.

STATE	MINNESOTA	MISSISSIPPI	MONTANA	NEBRASKA	NEW JERSEY	NEW MEXICO	NORTH CAROLINA	OREGON
<b>Title</b>	SF 138	Title 1, Part 14, Chapter 2, Rule 2.04	HB 481	LB 226	SB 712	Proposed Rules	SB 481	OAR § 441-035-0070 through § 441-035-0230.
<b>Statute citation</b>	Minn. Stat. § 80A.40, et seq., as amended by proposed new § 80A.461	Code Ann. §75-71-101, et seq. (Rev. 2001), as amended by Title 1, Part 14, Chapter 2, Rule 2.04	MCA § 30-10-105, as amended by proposed new § 30-10-105(22)	NEB. REV. STAT. § 8-1111, as amended by proposed new § 8-1111(24)	New act supplementing P.L.1967, c.93 (C.49:3-47, et seq.)	NMSA § 58-13C -202X and NMAC § 12.11.1, et seq., as amended by the Proposed Rules	§§ G.S. 78A-1, et seq., as amended by proposed bill	OAR § 441-035-0001, et seq., as amended by new rules
<b>Date enacted</b>	June 15, 2015	April 11, 2015	April 1, 2015	May 27, 2015	July 23, 2015	Unknown	June 29, 2016	January 15, 2015
<b>Effective Date</b>	Pending Final Rules	May 26, 2015	July 1, 2015	September 1, 2015	Pending Final Rules	Pending Final Rules	June 29, 2016	January 15, 2015
<b>Exemption from federal registration relied upon (see Note 1 below)</b>	Section 3(a)(11) of the Securities Act and Rule 147	Rule 504 of Regulation D	Section 3(a)(11) of the Securities Act and Rule 147	Section 3(a)(11) of the Securities Act and Rule 147	Section 3(a)(11) of the Securities Act	Section 3(a)(11) of the Securities Act and Rule 147	Section 3(a)(11) and/or Rule 147 of the Securities Act	Section 3(a)(11) of the Securities Act and Rule 147
<b>Companies permitted to use the exemption</b>	<p>Only available: to companies:</p> <ul style="list-style-type: none"> <li>• organized and doing business in the state;</li> <li>• who derived at least 80% of their gross revenues from operations in the state for the most recent fiscal yr. prior to the offering;</li> <li>• who have (and expect to have) at least 80% of their assets in the state;</li> <li>• who will use at least</li> </ul>	<p>Only available to companies:</p> <ul style="list-style-type: none"> <li>• organized and doing business in the state; and</li> <li>• who have their principal office in the state; excludes investment companies an sec reporting companies</li> </ul>	<p>Only available to companies:</p> <ul style="list-style-type: none"> <li>• organized and doing business in the state;</li> <li>• excludes investment companies, SEC reporting companies, blank check companies, companies who qualify as an “investment adviser,” a company that has indicated that it will merge with/acquire</li> </ul>	<p>Only available to companies:</p> <ul style="list-style-type: none"> <li>• organized and doing business in the state; excludes investment companies and SEC reporting companies</li> </ul>	<p>Only available to companies:</p> <ul style="list-style-type: none"> <li>• organized and doing business in the state</li> </ul>	<p>Only available: to companies:</p> <ul style="list-style-type: none"> <li>• organized and doing business in the state;</li> <li>• who derived at least 80% of their gross revenues from operations in the state for the most recent fiscal yr. prior to the offering;</li> <li>• who have (and expect to have) at least 80% of their assets in the state;</li> <li>• who will use at least</li> </ul>	<p>Only available to companies:</p> <ul style="list-style-type: none"> <li>• organized and doing business in the state; excludes investment companies and SEC reporting companies</li> </ul>	<p>Only available to companies:</p> <ul style="list-style-type: none"> <li>• organized and doing business in the state</li> </ul>

STATE	MINNESOTA	MISSISSIPPI	MONTANA	NEBRASKA	NEW JERSEY	NEW MEXICO	NORTH CAROLINA	OREGON
	<p>80% of the offering proceeds in the state;</p> <ul style="list-style-type: none"> <li>entity does not attempt to limit its liability for etc. in connection with the offering</li> <li>otherwise meets the requirement for “residency” as an investor under Section 3(a)(11) of the Securities Act and Rule 147;</li> </ul> <p>excludes investment companies (with exceptions), SEC reporting companies, and blank check companies</p>		<p>another entity and a company whose offering identifies an allocation of proceeds which is not tied to sufficiently identifiable properties and objectives</p>			<p>80% of the offering proceeds in the state; and</p> <ul style="list-style-type: none"> <li>otherwise meets the requirement for “residency” as an investor under Section 3(a)(11) of the Securities Act and Rule 147;</li> </ul> <p>excludes investment companies, SEC reporting companies, and blank check companies</p>		
Aggregate annual sales limit	<p>Limited to:</p> <ul style="list-style-type: none"> <li>\$5,000,000 if issuer provides independently audited GAAP fin. statements;</li> </ul> <p><u>OTHERWISE</u></p> <ul style="list-style-type: none"> <li>\$2,000,000</li> </ul> <p><u>NOTE:</u> Offering cap amounts will be increased periodically starting in 2018</p>	<p>Limited to:</p> <ul style="list-style-type: none"> <li>\$1,000,000</li> </ul>	<p>Limited to:</p> <ul style="list-style-type: none"> <li>\$1,000,000;</li> </ul>	<p>Limited to:</p> <ul style="list-style-type: none"> <li>\$2,000,000 if issuer provides independently audited GAAP fin. statements;</li> </ul> <p><u>OTHERWISE</u></p> <ul style="list-style-type: none"> <li>\$1,000,000</li> <li>.</li> </ul>	<p>Limited to:</p> <ul style="list-style-type: none"> <li>\$1,000,000;</li> </ul> <p><u>NOTE:</u> Amounts received by Accredited Investors will not count toward calculation of the offering</p>	<p>Unlimited in aggregate but limited to \$2,500,000 per offering (NMSA § 58-13C -202X) (<i>Note: Proposed new NMAC § 12.11.12.11 specifically permits multiple simultaneous offerings as long as each meets the necessary disclosures, requirements etc.</i>)</p>	<p>Limited to:</p> <ul style="list-style-type: none"> <li>\$2,000,000 if issuer provides independently audited GAAP fin. statements;</li> </ul> <p><u>OTHERWISE</u></p> <ul style="list-style-type: none"> <li>\$1,000,000</li> </ul> <p><u>NOTE:</u> Offering cap amounts will be increased every 5 years for CPI changes</p>	<p>Limited to:</p> <ul style="list-style-type: none"> <li>\$250,000</li> </ul>
state registration requirements	<p>Must file with commission no later than 10 days before any general solicitation:</p> <ul style="list-style-type: none"> <li>Notification of intent to rely on exemption;</li> <li>A copy of the required disclosures provided to prospective purchasers; and</li> <li>A copy of the escrow agreement</li> </ul>	<p>Must file with division, prior to the first sale:</p> <ul style="list-style-type: none"> <li>the “Invest Mississippi Crowdfunding Simplified Registration statement” (the “IMC statement”);</li> <li>A copy of the required Escrow Agreement</li> </ul> <p>Must also, prior to the first sale, issued a “Certificate of Invest Mississippi Crowdfunding Registration” from the division</p>	<p>Must file with commission no later than the earlier of a) 10 days before any general solicitation; or b) 15 days after the first sale of securities:</p> <ul style="list-style-type: none"> <li>Notification of intent to rely on exemption;</li> <li>Names of all persons involved with the offering; and</li> <li>Name of escrowee institution</li> </ul>	<p>Must file with commission no later than 10 days before any general solicitation:</p> <ul style="list-style-type: none"> <li>Notification of intent to rely on exemption;</li> <li>A copy of the required disclosures provided to prospective purchasers; and</li> <li>A copy of the escrow agreement</li> </ul>	Silent	<p>Must file with commission no later than 20 days before any general solicitation:</p> <ul style="list-style-type: none"> <li>An “application for the New Mexico crowdfunding exemption” (<i>silent as to information to be provided in application</i>)</li> </ul>	<p>Must file with commission at least 10 days before any general solicitation:</p> <ul style="list-style-type: none"> <li>Notification of intent to rely on exemption;</li> <li>Copy of disclosure statement delivered to investors; and</li> <li>Copy of escrow agreement;</li> </ul>	<p>Must file with commission no later than 14 days before any general solicitation:</p> <ul style="list-style-type: none"> <li>Notification of intent to rely on exemption;</li> <li>Issuer Information (including names and addresses of all executives and all owners of more than a 20% interest);</li> <li>A copy of the advertising materials;</li> <li>Identification of all intermediaries (incl. all Internet Offering Portals);</li> <li>Terms of offering in-</li> </ul>

STATE	MINNESOTA	MISSISSIPPI	MONTANA	NEBRASKA	NEW JERSEY	NEW MEXICO	NORTH CAROLINA	OREGON
<b>Internet Offering Portal requirements or restrictions (see Note 2 below)</b>	Offering is made exclusively through one or more Internet Offering Portals  Offering Portal not required to register as a broker-dealer if all applicable conditions met	Offering is made exclusively through one or more qualifying Internet Offering Portals  Offering Portal not required to register as a broker-dealer if all applicable conditions met	Silent	Offering is made exclusively through one or more Internet Offering Portals  Offering Portal not required to register as a broker-dealer if all applicable conditions met	Offering is made exclusively through one or more Internet Offering Portals  Silent as to required registration of Offering Portal as broker-dealer	Offering is made exclusively through an Internet Offering Portal  Offering Portal not required to register as a broker-dealer if all applicable conditions met	Offering is made exclusively through an Internet Offering Portal  Offering Portal not required to register as a broker-dealer if all applicable conditions met	cluding description of the business, min/max amount; and reasons for offering; and • A copy of all offering materials  Offering may be made through one or more Internet Offering Portals (including issuer's internet website)  Offering Portal not required to register as a broker-dealer if all applicable conditions met
<b>Escrowee requirements or restrictions</b>	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be authorized to transact business in the state	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be chartered (and authorized to do business) in the state and located in the state	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be bank or depository institution authorized to transact business in the state	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be bank, regulated trust company, savings bank, savings and loan association, or credit union authorized to do business in the state	Funds must be deposited with escrowee until minimum offering amount satisfied;  Silent as to qualifications of escrowee	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be authorized to transact business in the state	Funds must be deposited with escrowee until minimum offering amount satisfied;  Escrowee must be bank or depository institution authorized to do business in the state	Silent as to requirement to use escrowee.  <i>NOTE: § 441-035-0160(b)(2) appears to contemplate that funds can go directly to issuer</i>
<b>Annual Investment/Sale Limitations (per Issuer to an Investor) per issue annual investor limits</b>	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$10,000 per investor, per offering	Limited to (unless investor qualifies as "qualified purchaser"): - the greater of \$50,000 or 10% of the investor's annual income or net worth, <u>IF</u> the investor qualifies as an Accredited investor under Rule 501 of Regulation D;  <u>OR</u> - the greater of \$5,000 or 5% of the investor's annual income or net worth, <u>IF</u> the investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$10,000 per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  \$5,000 per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$5,000 per investor, per offering	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D or investor has filed with the portal a "New Mexico crowdfunding large investment form"):  • \$10,000 per investor, per offering	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$5,000 per investor, per offering	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$2,500 per investor

STATE	MINNESOTA	MISSISSIPPI	MONTANA	NEBRASKA	NEW JERSEY	NEW MEXICO	NORTH CAROLINA	OREGON
		<p>does not qualify as an Accredited investor under Rule 501 of Regulation D;</p> <p><u>NOTE:</u> Neither Offering Portal, nor any of its officers, directors, etc., are permitted to purchase more than 15% of any offering</p>						
<b>Required disclosure to investors (see Note 3 below)</b>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer;               <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Required disclosure regarding non-registration of securities;</li> <li>Identity of all persons owning &gt; 10% of any class of securities of Issuer;</li> <li>Identity of all officers, directors, etc. of Issuer;</li> <li>Identification of the minimum and maximum amount of securities to be sold and deadline for closing of offering;</li> <li>Identification of solicitors and intermediaries, along with compensation;</li> <li>Current litigation or legal proceedings;</li> <li>Financial statements;</li> <li>Copy of the applicable escrow agmt in connection with the offering;</li> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer;               <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Target amount and deadline;</li> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer;               <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer;               <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Identity of all persons owning &gt; 20% of any class of securities of Issuer;</li> <li>Identification of the minimum and maximum amount of securities to be sold and deadline for closing of offering;</li> <li>Identification of solicitors and intermediaries, along with compensation;</li> <li>Current litigation or legal proceedings;</li> <li>Names (and URLs) of all Offering Portals;</li> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer;               <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Required disclosure regarding non-registration of securities;</li> <li>Identity of all persons owning &gt; 10% of any class of securities of Issuer;</li> <li>Identity of all officers, directors, etc. of Issuer;</li> <li>Identification of the minimum and maximum amount of securities to be sold and deadline for closing of offering;</li> <li>Identification of solicitors and intermediaries, along with compensation;</li> <li>Current litigation or legal proceedings;</li> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer;               <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Any other information required pursuant to NMAC § 12.11.12.11(E);</li> <li>Any other information material to the offering</li> </ul> <p style="text-align: center;"><u>NOTE:</u> NMAC § 12.11.12.11(F) requires issuer to update investors as to material changes to previously provided information</p>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer;               <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Identification of all persons owning &gt; 10% of any class of securities of Issuer</li> <li>Identification of all officers, directors, etc. of Issuer</li> <li>Identification of solicitors and intermediaries, along with compensation</li> <li>Current litigation or legal proceedings</li> <li>Names (and URLs) of all Offering Portals</li> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer;</li> <li>Restrictions on transfer;               <ul style="list-style-type: none"> <li>Intended use of proceeds;</li> <li>Risks to purchasers;</li> <li>Terms of Securities;</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Required disclosure regarding non-registration of securities;</li> <li>Identity of all persons owning &gt; 20% of any class of securities of Issuer;</li> <li>Identity of all officers, directors, etc. of Issuer and their experience;</li> <li>Identification of the minimum and maximum amount of securities to be sold and what happens to funds if minimum is not met;</li> <li>If a stock offering, the % ownership per share;</li> <li>Current litigation or legal proceedings;</li> <li>Any other information material to the offering</li> </ul>
<b>Restrictions on advertising and communications</b>	General solicitation permitted after filing of notice	General solicitation permitted after filing with state; provided all communication between Is-	General solicitation permitted after filing of notice	General solicitation permitted after filing of notice	Silent	General solicitation permitted after filing of notice;	General solicitation permitted after filing of notice	General solicitation permitted after filing of notice; <u>provided</u> that prior to viewing advertising

STATE	MINNESOTA	MISSISSIPPI	MONTANA	NEBRASKA	NEW JERSEY	NEW MEXICO	NORTH CAROLINA	OREGON
		suer and investors (other than general announcement) must be done through Offering Portal				All Adv. materials must contain legends clearly stating: <ul style="list-style-type: none"> <li>• Ads are not offers and are for info purposes only;</li> <li>• offers and sales are only available to N.M. residents;</li> <li>• all sales made through a N.M. Internet Offering Portal</li> </ul>		materials each person must affirmatively certify to Oregon residency
Ongoing reporting requirements	Silent	Quarterly reports to investors covering business operations, financial condition, and compensation to directors and officers	Silent	Quarterly (internally prepared) reports to investors covering business operations, financial condition, and compensation to directors and officers; may satisfy by posting on its own website or through a qualified Internet Offering Portal w/in 45 days after the end of each fiscal quarter of Issuer	Quarterly (internally prepared) reports to investors covering business operations, financial condition, and compensation to directors and officers; may satisfy by posting on its own website or through a qualified Internet Offering Portal w/in 45 days after the end of each fiscal quarter of Issuer	Silent	Quarterly (internally prepared) reports to investors covering business operations, financial condition, and compensation to directors and officers; may satisfy by posting on its own website or through a qualified Internet Offering Portal w/in 45 days after the end of each fiscal quarter of Issuer	Semi-Annual reports to investors and the commission covering business operations, financial condition, and compensation to directors and officers; may satisfy by posting on its own website w/in 45 days after the end of each fiscal semi-year of Issuer
Disqualification from exemption	Silent	Bad actor disqualification (same Defn. as rule 506(d)) NOTE: Subject § 2(g) appears to be written with respect to the Offering Portal as opposed to the Issuer	General Disqualification pursuant to new §§ 30-10-105(d), (e)(ii) and (g)	Bad Actor disqualification (Same Defn. as Rule 506(d))	Bad Actor disqualification (Same Defn. as Rule 506(d))	Issuer disqualification if, based on portal's required background check of issuer, portal reasonably believes that: <ul style="list-style-type: none"> <li>• Issuer would be disqualified under NMAC § 12.11.12.11;</li> <li>• Issuer has engaged in, is engaging in, or the offering involves any act of fraud or deceit on any person; and/or</li> <li>• The portal cannot adequately or effectively assess the risk of fraud by the issuer or its potential offering</li> </ul>	Bad Actor disqualification pursuant to new § 78A-17.1(e)	Bad Actor disqualification under rule OAR § 441-035-0210

STATE	MINNESOTA	MISSISSIPPI	MONTANA	NEBRASKA	NEW JERSEY	NEW MEXICO	NORTH CAROLINA	OREGON
Applicable state securities law anti-fraud liability	Potential liabilities include § 508 and § 509 of the Minnesota Securities Act	Potential liabilities include § 75-71-508 AND § 75-71-509 of the Mississippi Securities act	Potential liabilities include § 30-10-306 and § 30-10-307 of the Montana Securities Act	Potential liabilities include § 8-1116, § 8-1117 and § 8-1118 of the Nebraska Securities Act	Potential liabilities include § 49:3-70.1 and § 49:3-71 of the New Jersey Securities Act	Potential liabilities include § 5 or § 6 of the New Mexico Securities Act	Potential liabilities include § 78A-56 and § 78A-57 of the North Carolina Securities Act	Potential liabilities include OR Rev Stat § 59.991 and OR Rev Stat § 59.995

1. The Section 3(a)(11) exemption from federal registration is generally known as the "intrastate offering exemption." SEC Rule 147 provides a safe harbor from federal regulation for issuers relying on the Section 3(a)(11) intrastate offering exemption. To qualify for this exemption, the company must: (1) be organized in the state where it is offering the securities; (2) carry out a significant amount of its business in that state; and (3) make offers and sales only to residents of that state. For instance, a corporation organized under the laws of Delaware and does business in Georgia would not qualify for the exemption. Additionally, issuers engaging in general solicitation under the exemptions must take care that they do not make offers of securities outside the state.
2. The SEC has recently provided guidance on compliance with use of the internet for intrastate offerings. See SEC Securities Act Compliance and Disclosure Interpretations ("CD&Is") questions 141.03, 141.04, 141.05, <http://www.sec.gov/divisions/corpfin/guidance/securitiesactrules-interps.htm>. Of note, any online solicitation, whether done by the issuer or third-party investment platform, must be restricted to intrastate offerees
3. Some identified "disclosures" may represent best practice suggestions rather than statutorily required disclosures.

## Summary of ENACTED Intrastate Crowdfunding Exemptions (as of July, 2016) – PART 4 OF 4

Any offer or sale of securities that uses the “jurisdictional means” (the mails, phones, internet) must be registered under the federal Securities Act of 1933 (the “Securities Act”) or be made in accordance with an exemption from that registration. Such exemptions apply ONLY to registration of the offering; issuers are still subject to liability under the federal antifraud laws. Similarly, if issuers acquire a specified number of equity holders, they will be required to register under the federal Securities Exchange Act of 1934. Further, any intermediary used in connection with a securities offering MAY be subject to applicable federal and state broker-dealer and/or other registration requirements.

The federal exemption most frequently relied on for intrastate offerings is Section 3(a)(11) of the Securities Act, but Rule 504 of the of the Securities Act is also used. Resale/transfer of securities sold through intrastate offerings will be restricted based on the underlying federal exemption. If the intrastate offering relies on Section 3(a)(11), the securities will have to “come to rest” (9 month requirement under SEC Rule 147) in the respective state before they can be transferred. If the intrastate offering relies on Rule 504, the securities will be “restricted” securities and subject to the restrictions on transfer provide in the Securities Act.

Potential liabilities for issuers and intermediaries in connection with intrastate offerings include, among others, anti-fraud liability under § 12(a)(2) of the Securities Act and Rule 10b-5 under the Exchange Act, as well as the respective applicable state securities anti-fraud liability statutes (some of which are identified below).

**NOTE:** Links to the full exemptions for each of the states identified below are available [HERE](#).

**DISCLAIMER:** Nothing in this chart is, or is intended to be, legal advice. The information herein is provided for informational purposes ONLY and YOU SHOULD CONSULT WITH YOUR ATTORNEY before using any of this information. Further, NO REPRESENTATION OR WARRANTY is made as to the accuracy or use of any of information contained in this chart and there shall be NO DUTY, express or implied, on the authors or any other person to update any of the information herein.

STATE	SOUTH CAROLINA	TENNESSEE	TEXAS	VERMONT	VIRGINIA	WASHINGTON	WISCONSIN
<b>Title</b>	H. 4799	Invest Tennessee Exemption	Rules § 115.19 and § 139.25	Rule No. S-2014-1	HB 1360	HB 2023	N/A
<b>Statute citation</b>	Proposed new section - S.C. Code Ann. § 35-1-205	Tenn. Code Ann. § 48-1-103(a)	Title 7, Part 7, as amended by Rules § 115.19 and § 139.25	9 V.S.A. §§ 5202(13)(C) and 5203, as amended by Rule § S-2014-1.	VA Code § 13.1-514, as amended by HB 1360	RCW § 21.20, et seq., as amended by HB2023	Wis. Stat. §§ 551.202(26) and 551.205
<b>Date enacted</b>	June 26, 2015	January 1, 2015	November 17, 2014	June 16, 2014	March 23, 2015	October 22, 2014	November 8, 2013
<b>Effective Date</b>	June 26, 2015	December 16, 2015	November 17, 2014	June 16, 2014	July 1, 2015	October 22, 2014	June 1, 2014
<b>Exemption from federal registration relied upon (see Note 1 below)</b>	Section 3(a)(11) of the Securities Act	Section 3(a)(11) of the Securities Act	Section 3(a)(11) of the Securities Act	Section 3(a)(11) of the Securities Act and Rule 147	Section 3(a)(11) of the Securities Act and Rule 147	Section 3(a)(11) of the Securities Act	Section 3(a)(11) of the Securities Act
<b>Companies permitted to use the exemption</b>	Only available to companies: <ul style="list-style-type: none"> <li>organized and doing business in the state;</li> </ul> excludes investment companies, SEC reporting companies, and blank check companies	Only available to companies: <ul style="list-style-type: none"> <li>organized and doing business in the state;</li> </ul> excludes investment companies, sec reporting companies, and blank check companies	Only available to companies: <ul style="list-style-type: none"> <li>organized and doing business in the state;</li> <li>who derived at least 80% of their gross revenues from operations in the state for the most recent fiscal yr. prior to the offering;</li> <li>who have at least 80% of their assets in the state as of the most recent semi-annual period prior to the offering; and</li> <li>who will use at least 80% of the offering proceeds in the state; and</li> </ul>	Only available to companies: <ul style="list-style-type: none"> <li>organized and doing business in the state;</li> </ul> excludes investment companies, SEC reporting companies, and blank check companies	Only available to companies: <ul style="list-style-type: none"> <li>organized and doing business in the state</li> </ul>	Only available to companies: organized and doing business in the state	Only available to companies: <ul style="list-style-type: none"> <li>organized and doing business in the state;</li> </ul> excludes investment companies, sec reporting companies, and blank check companies

STATE	SOUTH CAROLINA	TENNESSEE	TEXAS	VERMONT	VIRGINIA	WASHINGTON	WISCONSIN
			<ul style="list-style-type: none"> <li>whose principal office is in the state;</li> </ul> <p>excludes investment companies, SEC reporting companies, and blank check companies</p>				
Aggregate annual sales limit	Unlimited	Limited to:  • \$1,000,000	Limited to:  • \$1,000,000	Limited to:  • \$2,000,000 if issuer provides independently audited fin. statements;  <u>OTHERWISE</u>  • \$1,000,000	Limited to:  • \$2,000,000	Limited to:  • \$1,000,000	Limited to:  • \$2,000,000 if issuer provides independently audited fin. statements;  <u>OTHERWISE</u>  • \$1,000,000
state registration requirements	<p>Must file with commission before any general solicitation:</p> <ul style="list-style-type: none"> <li>Notification of intent to rely on exemption;</li> <li>Issuer Information;</li> <li>Names of all persons involved with the offering;</li> <li>Name of escrowee institution; and</li> <li>Copy of term sheet provided to investor</li> </ul>	<p>Must file with Commissioner before any general solicitation:</p> <ul style="list-style-type: none"> <li>Notification of intent to rely on exemption;</li> <li>Issuer Information;</li> <li>Names of all persons involved with the offering;</li> <li>Name of escrowee institution</li> </ul>	<p>Must file with commission at least 21 days before any offering:</p> <ul style="list-style-type: none"> <li>Form 133.17;</li> <li>Copy of disclosure statement delivered to investors;</li> </ul> <p>Copy of offering summary delivered to investors</p>	<p>Must file with commission at least 10 days (at least 5 days for advertising materials) before any offering:</p> <ul style="list-style-type: none"> <li>Notification of intent to rely on exemption;</li> <li>Issuer Information (including names and addresses of all executives and all owners of more than a 10% interest);</li> <li>A Form U-2 consent to service of process; and</li> <li>A copy of the advertising materials;</li> </ul>	Silent ( <i>subject to forthcoming rules</i> )	Notice required but rules not finalized	Filing required at least 10 days before any offer is made
Internet Offering Portal requirements or restrictions (see Note 2 below)	Silent	Silent as to use of Internet Offering Portals	<p>Offering is made exclusively through one or more Internet Offering Portals</p> <p>Offering Portal not required to register as a broker-dealer if all applicable conditions met</p>	<p>Silent as to use of Internet Offering Portals</p> <p>Offering Portal not required to register as a broker-dealer if such portals activities in the state are limited to the exempt intrastate offerings</p>	<p>Offering may be made through an Internet Offering Portal</p> <p>Silent as to required registration of Offering Portal as broker-dealer</p>	<p>Offering may be made through an Internet Offering Portal</p> <p>Silent as to required registration of Offering Portal as broker-dealer</p>	<p>Offering is made exclusively through one or more Internet Offering Portals</p> <p>Offering Portal not required to register as a broker-dealer if all applicable conditions met</p>
Escrowee requirements or restrictions	<p>Funds must be deposited with escrowee until minimum offering amount satisfied;</p> <p>Escrowee must be authorized to transact business in the state</p>	<p>Funds must be deposited with escrowee until minimum offering amount satisfied;</p> <p>Escrowee must be authorized to transact business in the state</p>	<p>Funds must be deposited with escrowee until minimum offering amount satisfied;</p> <p>Escrowee must be authorized to transact business in the state</p>	<p>Funds must be deposited with escrowee until minimum offering amount satisfied;</p> <p>Escrowee must be located in the state and FDIC insured</p>	<p>Funds must be deposited with escrowee until minimum offering amount satisfied;</p> <p>Escrowee must be located in the state</p>	<p>Silent as to requirement to use escrowee.</p>	<p>Funds must be deposited with escrowee until minimum offering amount satisfied;</p> <p>Escrowee must be chartered in the state</p>

STATE	SOUTH CAROLINA	TENNESSEE	TEXAS	VERMONT	VIRGINIA	WASHINGTON	WISCONSIN
<b>Annual Investment/Sale Limitations (per Issuer to an Investor) per issue annual investor limits</b>	Unlimited	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$10,000 per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$5,000 per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$10,000 per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • \$10,000 per investor	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D):  • the greater of \$2,000 or 5% of the investor's income or net worth, <u>IF</u> the investor's income or net worth is less than \$100,000;  <u>OR</u>  • 10% of the investor's income or net worth up to \$100,000, <u>IF</u> the investor's income or net worth is greater than \$100,000	Limited to (unless investor qualifies as an Accredited investor under Rule 501 of Regulation D <u>OR</u> a "Certified Investor under Wis. Stat. § 551.102(4m)):  • \$10,000 per investor
<b>Required disclosure to investors (see Note 3 below)</b>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer</li> <li>Intended use of proceeds <ul style="list-style-type: none"> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Copy of Term Sheet and Private Placement Memo;</li> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer</li> <li>Intended use of proceeds <ul style="list-style-type: none"> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Identification of solicitors and intermediaries</li> <li>Bank information for bank that will hold proceeds from the sale of the security</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer</li> <li>Intended use of proceeds <ul style="list-style-type: none"> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Financial information of Issuer</li> <li>Current litigation or legal proceedings</li> <li>Required disclosure statement</li> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer</li> <li>Intended use of proceeds <ul style="list-style-type: none"> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Any other information material to the offering</li> </ul> <p><u>NOTE:</u> Must be signed and certified as accurate by an authorized rep of issuer</p>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer</li> <li>Intended use of proceeds <ul style="list-style-type: none"> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Additional Information (<i>subject to forthcoming rules</i>)</li> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer</li> <li>Intended use of proceeds <ul style="list-style-type: none"> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Current litigation or legal proceedings</li> <li>Any other information material to the offering</li> </ul>	<ul style="list-style-type: none"> <li>Identifying information about, and description of, the Issuer</li> <li>Restrictions on transfer</li> <li>Intended use of proceeds <ul style="list-style-type: none"> <li>Risks to purchasers</li> <li>Terms of Securities</li> </ul> </li> </ul> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> <li>Identification of solicitors and intermediaries, along with compensation</li> <li>Current litigation or legal proceedings</li> <li>Any other information material to the offering</li> </ul>
<b>Restrictions on advertising and communications</b>	General solicitation permitted after filing of notice	Silent	General solicitation permitted after filing with state; provided all communication between Issuer and investors must be done through Offering Portal	General solicitation permitted after filing with state; provided Public advertisements should conform to "tombstone" format and limited to the information identified in Rule § S-2014-1(o)	General solicitation permitted	Silent	General solicitation permitted after filing with state
<b>Ongoing reporting requirements</b>	Silent	Silent	Silent	Silent	Silent ( <i>subject to forthcoming rules</i> )	Quarterly reports to investors covering business operations, financial condition, and compensation to directors and officers	Quarterly reports to investors covering business operations, financial condition, and compensation to directors and officers

STATE	SOUTH CAROLINA	TENNESSEE	TEXAS	VERMONT	VIRGINIA	WASHINGTON	WISCONSIN
Disqualification from exemption	Bad Actor disqualification (Same Defn. as Rule 506(d))	Bad Actor disqualification (Same Defn. as Rule 506(d))	Bad Actor disqualification (Same Defn. as Rule 506(d))	Disqualification for issuers who have previously sold securities pursuant to "registration by coordination or qualification" in this state or any other state;  Bad Actor disqualifications for one or more of the reasons under Rule § S-2014-1(h)	Silent ( <i>subject to forthcoming rules</i> )	Bad Actor disqualification (Same Defn. as Rule 506(d))	Bad Actor disqualification (Same Defn. as Rule 506(d))
Applicable state securities law anti-fraud liability	Potential liabilities include § 35-1-508 and § 35-1-509 of the South Carolina Securities Act	Potential liabilities include § 48-2-122 and § 48-2-123 of the Tennessee Securities Act	Potential liabilities include § 29 and § 33 of the Texas Securities Act	Potential liabilities include § 5508 and § 5509 of the Vermont Uniform Securities Act (2002)	Potential liabilities include § 13.1-520 and § 13.1-522 of the Virginia Securities Act	Potential liabilities include § 21.20.400, § 21.20.420, and § 21.20.430 of the Washington Securities Act	Potential liabilities include § 551.58 and § of the Wisconsin Securities Act

1. The Section 3(a)(11) exemption from federal registration is generally known as the "intrastate offering exemption." SEC Rule 147 provides a safe harbor from federal regulation for issuers relying on the Section 3(a)(11) intrastate offering exemption. To qualify for this exemption, the company must: (1) be organized in the state where it is offering the securities; (2) carry out a significant amount of its business in that state; and (3) make offers and sales only to residents of that state. For instance, a corporation organized under the laws of Delaware and does business in Georgia would not qualify for the exemption. Additionally, issuers engaging in general solicitation under the exemptions must take care that they do not make offers of securities outside the state.
2. The SEC has recently provided guidance on compliance with use of the internet for intrastate offerings. See SEC Securities Act Compliance and Disclosure Interpretations ("CD&Is") questions 141.03, 141.04, 141.05, <http://www.sec.gov/divisions/corpfin/guidance/securitiesactrules-interps.htm>. Of note, any online solicitation, whether done by the issuer or third-party investment platform, must be restricted to intrastate offerees
3. Some identified "disclosures" may represent best practice suggestions rather than statutorily required disclosures.