
DIGEST

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Ponti

HB No. 1234

Abstract: Requires the registration of Regulation A securities pursuant to the Louisiana Securities Law.

Present law provides that Regulation A securities are exempt from the offer of sale of dealers or salesmen to sell any securities within or from the state of La. under the La. Securities Law, unless the dealer or salesman is:

- (1) Registered in the office of the commissioner pursuant to present law.
- (2) The person is registered as a dealer pursuant to present law.
- (3) The only clients of the person in the state of La. are investment companies as defined in the Investment Company Act of 1940 or insurance companies.

Proposed law removes Regulation A from the exemption under present law and requires the registration of Regulation A securities under the La. Securities Law.

Proposed law provides for the terms and conditions for registration of Regulation A securities by requiring the following:

- (1) A notice of intention to sell, executed by the issuer, any other person on whose behalf the offering is to be made, a dealer registered under present law, or any duly authorized agent of any such person who sets forth the name and address of the applicant, the name and address of the issuer, and the title of the securities to be offered in the state of La.
- (2) A copy of the notification on Form 1-A or any form substituted therefor, and related offering circular or offering sheet, including other exhibits, filed with the Securities and Exchange Commission.
- (3) A filing fee of 1/10 of 1/100 (one per centum) of the aggregate price of the securities to be offered to be sold in the state of La. In no case can the fee be less than \$100 nor more than \$1,000. Additionally, there will be a charge of \$250 to be used to defray the expenses of the commissioner. All fees and charges paid in accordance with proposed law, whether paid at the time of filing or at the time of renewal, are to be transmitted to the state treasurer for credit to the state general fund, except that the \$250 fee required pursuant to present law is retained by the commissioner to be used for the enforcement of

provisions of both proposed and present law.

- (4) A consent to service of process in the form prescribed by the commission pursuant to present law, executed by the person who executed the notice of intention to sell, unless the person has previously filed with the commissioner an irrevocable consent to service of process in the form prescribed by present law (R.S. 51:718).

Registration of Regulation A securities pursuant to proposed law becomes effective when ordered by the commissioner.

(Amends R.S. 51:709(5)(a)(intro. para.) and (ii); Adds R.S. 51:705(H))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Commerce to the original bill.

1. Made technical change.