

WAC 460-99C-170 Restrictions on resale. (1) Securities issued in reliance on the crowdfunding exemption in RCW 21.20.880 may not be transferred by the purchaser during a one-year period beginning on the date of purchase, unless the securities are transferred:

(a) To the issuer of the securities;

(b) To an accredited investor;

(c) Pursuant to an effective registration statement under the Securities Act of Washington, chapter 21.20 RCW; or

(d) To a member of the family of the purchaser or the equivalent, or in connection with the death or divorce or other similar circumstances, in the discretion of the director.

(2) Securities issued under the crowdfunding exemption in RCW 21.20.880 are also restricted by the requirements for the federal exemption from registration for intrastate offerings under section 3 (a)(11) of the federal Securities Act of 1933, 15 U.S.C. 77c (a)(11), and securities and exchange commission Rule 147, 17 C.F.R. 230.147, or the requirements for the federal exemption from registration for offerings under section 28 of the federal Securities Act of 1933, 15 U.S.C. 77z-3, and securities and exchange commission Rule 147A, 17 C.F.R. 230.147A, as applicable.

Note: Rules 147 and 147A generally provide that for a period of six months from the date of the sale by the issuer of a security pursuant to that rule, any resale of such security shall be made only to persons resident within the state or territory in which the issuer was resident at the time of the sale of the security by the issuer. Issuers are cautioned to carefully review and implement safeguards to ensure their compliance with the restrictions contained in Rule 147 or 147A, whichever is applicable, as well as the restrictions contained in RCW 21.20.880.

[Statutory Authority: RCW 21.20.450, 21.20.880 and 2017 c 113. WSR 17-17-022, § 460-99C-170, filed 8/8/17, effective 9/8/17. Statutory Authority: RCW 21.20.450, 21.20.880, 21.20.883, 21.20.886, and 2014 c 144. WSR 14-21-001, § 460-99C-170, filed 10/1/14, effective 11/1/14.]