

SENATE FILE 2185
BY BOETTGER and HOUSER

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to limited offering transaction exemptions from
2 securities registration.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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COMMERCE

SF 2185

1 Section 1. Section 502.202, subsection 14, paragraph a,
2 Code 2005, is amended to read as follows:

3 a. Not more than ~~thirty-five~~ one hundred purchasers are
4 present in this state during any twelve consecutive months,
5 other than those designated in subsection 13.

6 EXPLANATION

7 This bill relates to the exemption for limited offering
8 transactions from the securities registration requirement of
9 the Iowa uniform securities Act. Under current law, it is
10 unlawful to sell a security unless the security is a federally
11 covered security, the security is registered under Code
12 chapter 502, or unless the security, transaction, or offer is
13 exempt from registration. Under current law, a limited
14 offering transaction is exempt from the securities
15 registration requirement if the transaction is part of a
16 single issue and not more than 35 purchasers are present in
17 this state during any 12 consecutive months and if the
18 transaction meets other requirements. The bill increases the
19 maximum allowed number of purchasers for a limited offering
20 transaction from 35 to 100. This change would allow more
21 purchasers of the limited offering transaction without
22 subjecting the transaction to the securities registration
23 requirement.

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