



Ohio Department of Commerce

Division of Securities
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www.securities.state.oh.us

Bob Taft
Governor

Lt. Governor Jennette Bradley
Director

Ohio Statutory Requirements and Related Administrative Rules for Offerings under Rule 506 of Regulation D

Issuer Licensing Exception: Issuers, including officers, directors, managers, partners, trustees and employees, selling the issuer's securities may not be required to be licensed by the Ohio Division of Securities ("Division") if no commissions, or other compensation based on the sale of securities, are paid. **See** R.C. 1707.01(E)(1)(a).

Commissions: Commissions, or other compensation for the sale of securities in the State of Ohio, may be paid only to dealers and salespersons licensed by the Division or banks. **See** R.C. 1707.01(E), 1707.01(O), 1707.14 and 1707.44(A).

Filing Requirements: A Form D must be filed with the Division within fifteen days of the first sale in the state of Ohio. A check for \$100.00 payable to the Ohio Division of Securities must be included with the Form D. The filing should be sent to the Division's address listed on the letterhead. Only issuers relying on Rule 506 of Regulation D may file the Form D with the Division. No additional fees are required to file amendments to the initial Form D filing. **See** R.C. 1707.03(X).

Consent to Service of Process: Out-of-state issuers must file a Form U-2 designating the Secretary of State as its attorney for service in the state of Ohio. **See** R.C. 1707.11.

Late Filings: An additional \$100.00 fee must be included with all late Form D filings. **See** R.C. 1707.391 and Ohio Administrative Code 1301:6-3-391(F).

Burden of Proof: In any litigation, the burden of proof is on the party claiming the benefit of any exemption under the Ohio Securities Act. **See** R.C. 1707.45.

The Ohio Securities Act and related administrative rules are available at www.securities.state.oh.us under "Laws, Rules and Guidelines." The Form D and the Form U-2 are also available under "Forms."

For additional questions, you may call Michael Miglets at (614) 644-7295 or Mark Heuerman at (614) 644-9529. You may also request information by e-mail at michael.miglets@com.state.oh.us or mark.heuerman@com.state.oh.us.

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