WEST VIRGINIA CODE: §32-3-304A

§32-3-304a. Federal-covered securities.

(a) Securities for which a registration statement has been filed with the Securities and Exchange Commission under the Securities Act of 1933 with respect to a federal-covered security under Section 18(b)(2) of the Securities Act of 1933 may be offered for sale or sold to residents of this state upon the commissioner's receipt of: (1) A notice as prescribed by the commissioner by rule or otherwise or in lieu thereof a copy of the issuer's federal registration statement as filed with the securities and exchange commissioner; (2) a consent to service of process signed by the issuer; and (3) payment of a fee as provided for in §32-3-305(b) of this code: *Provided*, That up through October 10, 1999, or such other date as may be legally permissible, a federal-covered security for which a fee has not been paid or promptly remedied following written notification from the commissioner to the issuer of the nonpayment or underpayment of such fees, as required by this article, shall be required to register under this article.

(b) The commissioner, by rule or otherwise, may require the filing of any or all of the following documents with respect to a federal-covered security under Section 18(b)(2) of the Securities Act of 1933:

(1) Prior to the initial offer of such federal covered security in this state, all documents that are part of a current federal registration statement filed with the securities and exchange commission under the Securities Act of 1933; and

(2) After the initial offer of such federal covered security in this state, all documents that are part of an amendment to a current federal registration statement filed with the securities and exchange commission under the Securities Act of 1933, which shall be filed concurrently with the commissioner.

(c) With respect to any security that is a federal-covered security under Section 18(b)(4)(D) of the Securities Act of 1933, the commissioner, by rule or order, may require the issuer to file a notice on SEC Form D and a consent to service of process signed by the issuer no later than 15 days after the first sale of such federal-covered security in this state, together with a fee as established by rule by the commissioner.

(d) The commissioner, by rule or otherwise, may require the filing of any document filed with the Securities and Exchange Commission under the Securities Act of 1933, with respect to a federal-covered security under Section 18(b)(3) or (4) of the Securities Act of 1933, together with a filing fee for such document as appropriate under §32-3-305(m) and (n) of this code.

(e) An issuer planning to offer and sell securities in this state in an offering exempt under Tier 2 of federal Regulation A (17 CFR 230.251 through 17 CFR 230.263) and § 18(b)(3) or 18(b)(4) of the Securities Act of 1933 (15 USC § 77a) shall submit the following at least 21

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calendar days prior to the initial sale in this state:

(1) A completed Regulation A – Tier 2 notice filing form or copies of all documents filed with the U.S. Securities and Exchange Commission;

(2) A consent to service of process on Form U-2 if not filing on the Regulation A – Tier 2 notice filing form; and

(3) A filing fee of $375 payable to the West Virginia State Auditor.

(1) The initial notice filing is effective for 12 months from the date of the filing with this state. For each additional 12-month period in which the same offering is continued, an issuer conducting a Tier 2 offering under federal Regulation A may renew its notice filing by filing the following on or before the expiration of the notice filing:

(A) The Regulation A – Tier 2 notice filing form marked "renewal" or a cover letter or other document requesting renewal; and

(B) A renewal fee in the amount of $200 payable to the West Virginia State Auditor.

(2) An issuer may increase the amount of securities offered in this state by submitting a Regulation A – Tier 2 notice filing form marked "amendment" or other document describing the transaction.

(f) The commissioner may issue a stop order suspending the offer and sale of a federal-covered security, except a federal-covered security under Section 18(b)(1) of the Securities Act of 1933, if it finds that: (1) The order is in the public interest; and (2) there is a failure to comply with any condition established under this section.

(g) The commissioner, by rule or order, may waive any or all of the provisions of this section.

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