



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

P.O. Box 9033 • Olympia, Washington 98507.9033

Telephone (360) 902.8760 • TDD (360) 664.8126 • FAX (360) 902.0524 • Web Site: www.dfi.wa.gov/sd

Notice of Adoption of Amendments Concerning the State Crowdfunding Exemption

August 8, 2017

We are writing to inform you that the Securities Division has adopted final amendments to the state crowdfunding rules in chapter 460-99C WAC to reflect amendments made to related federal rules, and to reflect statutory changes codified in the Securities Act of Washington.

On October 26, 2016, the Securities and Exchange Commission adopted final rules amending intrastate offering exemptions. *See* SEC Rulemaking Release No. 33-10238, titled “Exemptions to Facilitate Intrastate and Regional Securities Offerings,” available at: <https://www.sec.gov/rules/final/2016/33-10238.pdf>. Included in these amendments are changes to the federal intrastate offering exemption, an exemption on which Washington’s crowdfunding exemption was based.

In addition, on April 25, 2017, Governor Inslee signed into law House Bill 1593, which amends the state crowdfunding exemption in the Securities Act of Washington. The bill amended the reference to federal exemptions from registration, and made other housekeeping changes. .

As the rules contained in chapter 460-99C WAC implement the state crowdfunding exemption, the Securities Division has now amended these rules to ensure coordination of our rules to related federal amendments and to state statutory amendments. The adopted amendments include revisions to:

- Allow offerings under either federal Rule 147 or newly adopted federal Rule 147A;
- Remove the requirement to use a portal;
- Relax ongoing reporting requirements;
- Expand the types of securities an issuer can offer under the crowdfunding rules; and
- Exclude accredited investors from individual investment limits.

On August 8, 2017, the Securities Division filed a Rule-Making Order (CR-103) and the text of the final rules (OTS-8745.3). Please find accompanying this notice, copies of the rule making order and the text of the final rules. These materials will also be available on the rule making page of the Securities Division’s website at: <http://www.dfi.wa.gov/securities/rulemaking>.

If you have any questions about the adopted rules, you may submit them to Michelle Webster at michelle.webster@dfi.wa.gov, or you may mail them to the following address:

Michelle Webster, Esq.

Securities Division
P.O. Box 9033
Olympia, WA 98507-9033