



STATE OF WASHINGTON  
**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
SECURITIES DIVISION

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**Notice of Proposed Rule Amendments Concerning  
Ministerial Updates to Exempt Transaction Rules**

**December 18, 2018**

To Interested Persons:

We are writing to inform you that the Securities Division is proposing to amend the exempt transactions rules in WAC 460-44A-300, 460-44A-503, and 460-44A-504 to make ministerial updates.

The proposed amendments would update WAC 460-44A-300, -503, and -504 in light of changes in federal law. WAC 460-44A-300 follows NASAA's Model Accredited Investor Exemption and exempts from securities registration offerings made pursuant to Section 3(b) of the Securities Act of 1933. It has not been updated since Section 3(b) was amended by the JOBS Act of 2012 and the SEC amended its rules thereunder in Regulation A. The proposed amendments would correct the reference in the exemption to Section 3(b)(1) of the amended Securities Act of 1933. In addition, WAC 460-44A-504 exempts small offerings that are made pursuant to SEC Rules 147 or 504 and has not been updated since the SEC created a new intrastate offering exemption in Rule 147A. The proposed amendments would add references to Rule 147A in the exemption. Finally, while the SEC repealed Rule 505 of Regulation D in 2017 and the Division previously repealed its own corresponding exemption in WAC 460-44A-505, the filing requirements set forth in WAC 460-44A-503 and the disqualification provision in WAC 460-44A-504 continue to reference WAC 460-44A-505. The proposed updates will remove all references to Rule 505 and WAC 460-44A-505.

The Notice of Proposed Rule Making (Form CR-102) was filed on December 18, 2018, with the Office of the Code Reviser for publication in the Washington State Register on January 2, 2019 (Issue #19-01). The notice and the text of the proposed amendments are available on our website at <https://dfi.wa.gov/securities/rulemaking>. You may submit written comments to the undersigned by email or postal mail at the addresses listed in the Notice of Proposed Rule Making (Form CR-102). As indicated in the notice, a hearing is scheduled for January 23, 2019, for those that would like to make comments in person.

Sincerely,

Nathan Quigley  
Securities Division