Question presented:

In determining the availability of the statutory nonpublic offering and isolated transaction exemptions under RCW 21.20.320(1) for purchases by general partnerships, is each general partner considered to be a separate purchaser?

Statute:

RCW 21.20.320(1) exempts "any isolated transaction, or sales not involving a public offering. . . ."

Discussion:

A general partnership may be considered to be either an entity or an aggregate of separate persons. Exemptions from registration are narrowly construed. Therefore, for purposes of RCW 21.20.320(1), the Securities Administrator interprets a sale to a general partnership to constitute a sale to each partner.

Conclusion:

For purposes of determining the applicability of the isolated transaction and statutory nonpublic offering provisions of RCW 21.20.320(1), a sale to a general partnership will constitute a sale to each partner.

Adopted: January 1, 1991
Replaces: Statement of Policy 83-52
Jack L. Beyers, Securities Administrator
Prepared by: William M. Beatty, Securities Examiner