

Minnesota Attorney General: Administrative Rules Proceedings

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Version 3
August 20, 2018

MINNESOTA STATE REGULATIONS

Notice of filing by the Commissioner of Administration

We have received on this date, stamped and filed 2 copies of Rules and Regulations pertaining to

the Commerce Dept. (Agency or Board)

Regulation No. SEC 2079 - 2137

Subject: Securities

Department of Administration
Publication, Central Services Division
Documents Section
140 Centennial Office Building
St. Paul, Minnesota 55155
Telephone: (612) 296-2874

FILED
RICHARD L. BRUBACHER
Commissioner of Administration

MAY 13 1976

BY _____
AUTH. SIGNATURE

Stamped and filed with the Secretary of State May 12, 1976, 4:20 pm 10:05 am

Rev. 9-72

Adopted

Note: This is an amendment to existing rule SDiv. 2077 which became effective May 21, 1975. It should replace SDiv. 2077 which begins near the top of page 121 of the existing rules and ends near the bottom of page 123.

SDiv. 2077 Plan of Distribution

(a) Minimum Unit

The minimum purchase of a program may not be less than $5,000 and the initial investment by a participant shall be no less than $5,000, all of which must be paid within 12 months from the date the program commences. Assignability of the unit must be limited so that no assignee (transferee) or assignor (transferor) may hold less than a $5,000 interest except by gifts or by operation of law.

(b) Assessments

(1) Offering Circular - if the securities for which application for registration is made are subject to additional assessments, the following information concerning such assessments is required:

(aa) The amount of additional assessments to which the securities may be subject, and whether the payment of such assessment will be mandatory or optional;

(bb) The penalizing effect of refusal or inability to make payment of any additional assessments. An optional assessment in which a participant is required to forfeit any interest, except as provided below, or is subjected to any penalty for failure to participate will be deemed to be a mandatory assessment. Any interest charge occasioned

Changes or additions indicated by underlining, deletion by strikeout.

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by late payment of any mandatory assessment or any unpaid portion of the original subscription price must bear a reasonable relationship to costs incurred by the sponsor or program by virtue of the late payment. Any interest charge which exceeds the maximum rate allowable under Minn. Stat. 1971, Section 334.01 is presumed unreasonable. In the event that a participant fails to contribute his portion of an optional assessment, the only penalty which may be imposed upon him shall be an 80% reduction in the amount of income from the properties developed by the assessments that he would otherwise be entitled to receive after the contributing participants have been returned the amount of their assessments.

(cc) The conditions upon which additional assessments may be made. Additional assessments may be made only for the following:

-- completion of wells already initiated
-- initiation of wells on leaseholds already owned or under contract
-- to acquire and develop leaseholds contiguous to those already owned, the acquisition of which is necessary to fully develop previously discovered reserves.

(2) Management fees payable out of and additional

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assessments whether optional or mandatory, shall be deducted only when payment of the assessment is made.

(3) Limitation. Program interests shall not be subject to mandatory assessments in excess of 50% of the original subscription price.

(4) Registration Fees - the Aggregate amount upon which the registration fees are computed shall include the dollar amount for which the securities being registered may be additionally assessed. If the securities for which application is made are subject to unlimited optional assessments the maximum fee must be paid.

(c) Advertising materials

(1) Contents of Prospectus and Other Sales Literature.

(aa) History of Sponsor and Other Programs by Sponsor. Sponsor's history of operations shall be fully disclosed, and when applicable, sponsor's income from other programs shall be scheduled on a program-by-program basis. Such scheduling shall include total gross income (broken-down to disclose separately management fees, operator's fees, sales commissions, general and administrative overhead expenses reimbursed, and other sources of income) as well as any profits or losses, on an annual basis for the preceeding three years, received by the program sponsor or persons or

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Note: This is an amendment to existing rule SDiv. 2077 which became effective May 21, 1975. It should replace SDiv. 2077 which begins near the top of page 121 of the existing rules and ends near the bottom of page 123.

companies affiliated with the sponsor from such programs.

(bb) Other Sales Literature. See SDiv. 2065(a)(1).

(2) Group Meetings, See SDiv. 20645(a)(2).

(d) Commissions

(1) Compensation to broker dealers shall be a cash commission. Indeterminate compensation to broker dealers, such as overriding interests and net profit interests, for example, is prohibited. In the absence of a firm underwriting, warrants or options to broker dealers are prohibited.

(2) Compensation to wholesale dealers must be a cash commission, and such commission must be reasonable and fully disclosed.

(3) Sales commissions based on assessment of units are prohibited.

(e) Suitability of the Participant

Standards to be Imposed - Given the limited transferability, the relative lack of liquidity, and the specific tax orientation of many oil and gas programs, the sponsor and its selling representatives should be cautious concerning the persons to whom such securities are marketed. Suitability standards for investors will, therefore, be imposed which are reasonable in view of the foregoing and of the type of program to be offered. Sponsors will be required to set forth in the prospectus the investment objectives of the program, a description of the type of person who could benefit from the program and the

Note: This is an amendment to existing rule SDiv. 2077 which became effective May 21, 1975. It should replace SDiv. 2077 which begins near the top of page 121 of the existing rules and ends near the bottom of page 123.

suitability standards to be applied in marketing it. The suitability standards proposed by the sponsor will be reviewed for fairness by the Commissioner in processing the application. In determining how restrictive the standards must be, special attention will be given to the existence of such factors as high leverage, and uncertain or no cash flow from certain program properties. Programs which involve more than ordinary investor risk should emphasize suitability standards involving substantial net worth of the investor.

Changes or additions indicated by underlining, deletion by strikeout.

Note: This is an amendment to existing rule SDiv. 2079 which became effective May 21, 1975. It should replace SDiv. 2079 which begins near the top of page 125 and ends near the bottom of that page.

SDiv. 2079 Rights and Obligations of Participants

(a) Meetings

Meetings of the limited partnership may be called by the general partner(s) or the limited partner(s) holding more than 10% of the then outstanding limited partnership interests, for any matters for which the partners may vote as set forth in the limited partnership agreement. A list of the names and addresses of all limited partners shall be maintained as part of the books and records of the limited partnership and shall be mailed on request to any limited partner or his representative. Upon receipt of a written request either in person or by registered mail stating the purpose(s) of the meeting, the general partner shall provide all partners, within ten days after receipt of said request, written notice (either in person or by registered mail) of a meeting and the purpose of such meeting to be held on a date not less than fifteen nor more than sixty days after receipt of said request, at a time and place convenient to participants.

(b) Voting Rights of Limited Partners

The limited partnership agreement shall provide that a majority of the then outstanding limited partnership interests may, without the necessity for concurrence by the general partner, vote to (1) amend the limited partnership agreement, (2) dissolve the program, (3) remove and replace the sponsor(s) and (4) approve or disapprove the sale of all or substantially all of the assets of the program.

Changes or additions indicated by underlining, deletions by strikeout.

Note: This is an amendment to existing rule SDiv. 2079 which became effective May 21, 1975. It should replace SDiv. 2079 which begins near the top of page 125 and ends near the bottom of that page.

The agreement shall provide for a method of valuation of the general partner's interest upon his removal.

Changes or additions indicated by underlining, deletions by strikeout.

Note: This is a completely new rule. In the rules which became effective on May 21, 1975, Sdiv. 2089 was "Reserved for Future Use". It should be inserted onto page 140 of the rules which became effective on May 21, 1975.

SDiv. 2089 Rights and Obligations of Participants

(a) Meetings

Meetings of the limited partnership may be called by the general partner(s) or the limited partner(s) holding more than 10% of the then outstanding limited partnership interests, for any matters for which the partners may vote as set forth in the limited partnership agreement. A list of the names and addresses of all limited partners shall be maintained as part of the books and records of the limited partnership and shall be mailed on request to any limited partner or his representative. Upon receipt of a written request either in person or by registered mail stating the purpose(s) of the meeting, the general partner shall provide all partners, within ten days after receipt of said request, written notice (either in person or by registered or certified mail) of a meeting and the purpose of such meeting to be held on a date not less than fifteen nor more than sixty days after receipt of said request, at a time and place convenient to participants.

(b) Voting Rights of Limited Partners

The limited partnership agreement shall provide that a majority of the then outstanding limited partnership interests may, without the necessity for concurrence by the general partner, vote to (1) amend the limited partnership agreement, (2) dissolve the program, (3) remove and replace the sponsor(s) and (4) approve or disapprove the sale of all or substantially all of the assets of the program.

(c) This rule shall not apply to programs which are not structured as limited partnerships.

Note: This is an amendment to existing rule SDiv. 2099, which became effective May 21, 1975. It should replace SDiv. 2099 which is found in the middle of page 145 of the effective rules.

SDiv. 2099 Meetings and Inspection of Records

(a) There shall be an annual meeting of shareholders of the trust upon reasonable notice following delivery of the annual report required by SDiv. 2098 above. Special meetings may be called upon written request of ~~shareholders~~ holders of beneficial interests holding together not less than 20% of the outstanding shares of the REIT entitled to vote at such meeting. The call shall state the nature of the business to be transacted, and no other business shall be considered.

(b) The declaration of trust, or other instrument shall provide for the inspection of the trust records by a holder of beneficial interest or beneficiary of the trust as permitted by local law to the same extent as is permitted corporate shareholders.

Chantes or additions indicated by underlining, deletions by strikeout.

Note: This is a completely new rule. In the rules which became effective on May 21, 1975, SDiv. 2110 was "Reserved for Future Use." It should be inserted onto page 148 of the rules which became effective on May 21, 1975.

SDiv. 2110(a) The words "for value" as used in Minnesota Statutes, 1975, Section 80A.14(p)(1), (2) and (3) do not include the offer or grant of an option to purchase securities if:

(1) The offer or grant is made to any person by the issuer or a parent or subsidiary of the issuer, and

(2) no monies or other tangible property is given for such option, and

(3) the option, by its terms or by the terms of some supplemental agreement, is non-transferable otherwise than by will or the laws of descent and distribution, and is exercisable, during the lifetime of the grantee, only by him.

(b) Securities issued pursuant to the exercise of an option described in paragraph (a) hereof must at the time of issuance either be registered or exempted from registration pursuant to an applicable exemption contained in Section 80A.15, Subdivision 1, or Subdivisions 2(a), 2(g) or 2(h).

(c) The words "for value" as used in Minnesota Statutes, 1975, Section 80A.14(p)(1), (2) and (3) do not include the distribution of any securities pursuant to an employee stock ownership trust as defined in Minnesota Statutes, 1974, Section 290.01, Subdivision 25, if the distributee has paid no monies or other tangible property in exchange for the securities or the right to receive the securities.

Note: This is a completely new rule. In the rules which became effective on May 21, 1975, SDiv. 2113 was "Reserved for Future Use." It should be inserted onto page 149 of the rules which became effective on May 21, 1975.

SDiv. 2113(a). An employee's "stock purchase plan " (as those words are used in Section 80A.15, Subdivision 1(h)) means a plan which is qualified, or could be qualified under Section 423 of the Internal Revenue Code of 1954, as amended, unless good cause for an exception be shown. The exemption contained in Section 80A.15, Subdivision 1(h) does not apply to a "key employee's stock option plan" which is qualified, or could be qualified under Section 422 of the Internal Revenue Code of 1954 as amended (for such plans, see SDiv. 2110(a)).

(b) An employee's "pension or profit sharing plan" in Section 80A.15, Subdivision 1(h) means a plan which is qualified, or could be qualified, under Section 401 of the Internal Revenue Code of 1954, as amended, unless good cause for an exception be shown.

(c) The exemption contained in Section 80A.15, Subdivision 1(h) is available only for "any interest in any... plan" as those words are used in the statute; the exemption is not available for the issuance or distribution of securities, to the interest holder, other than interests in a plan. The issuance or distribution of such other securities to the interest holder must be made pursuant to a registration or an exemption contained in Section 80A.15, Subdivision 1 (other than paragraph (h) of Subdivision 1) or Subdivisions 2(a), 2(g), or 2(h).

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2114 was "Reserved for Future Use." This new rule should be inserted onto page 149 of the rules which became effective on May 21, 1975.

SDiv. 2114. Except for regulation of the issuance or guarantee by a public utility of its securities under the Public Utility Holding Company Act of 1935, regulation solely by the United States Securities and Exchange Commission is not "regulation...by a governmental authority of the United States" as that term is used in Section 80A.15, Subdivision 1(i).

Note: This is a completely new rule. In the rules which became became effective May 21, 1975, SDiv. 2115 was "Reserved for Future Use." This new rule should be inserted onto page 150 of the rules which became effective on May 21, 1975.

SDiv. 2115(a) Up to five sales of securities of an issuer in any twelve consecutive months shall be exempted by Section 80A.15, Subdivision 2(a), provided, that in the case of sales by an issuer, except sales of securities registered under the Securities Act of 1933 or exempted by Section 3(b) of that act, the seller reasonably believes that all buyers are purchasing for investment.

(b) For the purpose of computing the number of sales which have been made, or will have been made upon completion of a proposed offering pursuant to Section 80A.15, Subdivision 2(a),

(1) The following sales shall be excluded if made within forty-eight hours of a sale to another purchaser, which other sale is included in such computation:

(aa) The sale to any relative or spouse of a purchaser and any relative of such spouse, who has the same home as such purchaser; and

(bb) The sale to any trust or estate in which a purchaser or any of the persons related to him as specified in subparagraphs (1)(aa) or (cc) of this rule collectively have 100 percent of the beneficial interest (excluding contingent interest); and

(cc) The sale to any corporation or other organization of which a purchaser or any of the persons related to him as specified in subparagraphs (1)(aa) or (bb) of this rule collectively are the beneficial owners of all the equity securities (excluding directors' qualifying shares) or equity interests; and

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2115 was "Reserved for Future Use." This new rule should be inserted onto page 150 of the rules which became effective on May 21, 1975.

(2) There shall be counted as one sale a sale to any corporation, partnership, association, joint stock company, trust or unincorporated organization except that if such entity was organized for the specific purpose of acquiring the securities offered, each beneficial owner of equity interest or equity securities in such entity shall count as a separate sale; and

(3) Sales to clients of an investment adviser, customers of a broker-dealer, or persons with similar relationships shall be considered to be separate sales regardless of the amount of discretion given to the investment adviser, broker-dealer, or other person to act on behalf of the client or customer.

(c) For the purpose of determining the number of sales which have been made, or will have been made upon completion of a proposed distribution under Section 80A.15, Subdivision 2(a), only those sales which would be included within the scope of Chapter 80A, as determined by Section 80A.27, shall be included.

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2116 was "Reserved for Future Use." This new rule should be inserted onto page 151 of the rules which became effective on May 21, 1975.

SDiv. 2116. "Recognized manuals approved by the Commissioner", as that term is used in Section 80A.15, Subdivision 2(b), are limited to the following:

Standard & Poor's Corporation Records

Moody's Industrial Manual and Industrial News Reports

Moody's Bank & Finance Manual and Bank & Finance News Reports

Moody's Transportation Manual and Transportation News Reports

Moody's Public Utility Manual and Public Utility News Reports

Moody's OTC Industrial Manual and OTC Industrial News Reports (provided that the issuer, as of the date of the balance sheet required by Section 80A.15, Subdivision 2(b)(1), had a net worth of at least $250,000 and had at least 200 shareholders).

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2117 was "Reserved for Future Use." This new rule should be inserted onto page 151 of the rules which became effective on May 21, 1975.

SDiv. 2117. The terms "financial institution or institutional buyer" contained in Section 80A.15, Subdivision 2(g) do not ordinarily include a Small Business Investment Company unless it can be demonstrated that it possesses adequate sophistication with respect to the specific offer and sale.

Note: This is an amendment to existing rule SDiv. 2118, which became effective May 21, 1975. It should replace existing SDiv. 2118 which begins near the bottom of page 151 and ends at the top of page 154 of the May 21, 1975 rules.

SDiv. 2118(a). For the purpose of computing the number of persons to whom sales have been made, or will have been made upon completion of a proposed offering pursuant to Section 80A.15, Subdivision 2(h),

(1) The following purchasers shall be excluded:

(aa) Any relative or spouse of a purchaser and any relative of such spouse, who has the same home as such purchaser; and

(bb) Any trust or estate in which a purchaser or any of the persons related to him as specified in subparagraphs (1)(aa) or (cc) of this rule collectively have 100 percent of the beneficial interest (excluding contingent interests); and

(cc) Any corporation or other organization of which a purchaser of any of the persons related to him as specified in subparagraphs (1)(aa) or (bb) of this rule collectively are the beneficial owners of all the equity securities (excluding directors' qualifying shares) or equity interests; and

(2) There shall be counted as one purchaser any corporation, partnership, association, joint stock company, trust or unincorporated organization except that if such entity was organized for the specific purpose of acquiring the securities

Changes or additions indicated by underlining, deletions by strikeout.

Note: This is an amendment to existing rule SDiv. 2118, which became effective May 21, 1975. It should replace existing SDiv. 2118 which begins near the bottom of page 151 and ends at the top of page 154 of the May 21, 1975 rules.

offered, each beneficial owner of equity interests or equity securities in such entity shall count as a separate purchaser; and

(3) Clients of an investment adviser, customers of a broker-dealer, ~~trusts-administered-by-a-bank-trust-department~~ or persons with similar relationships shall be considered to be separate purchasers regardless of the amount of discretion given to the investment adviser, broker-dealer, bank-trust-department or other person to act on behalf of the client; or customer ~~or-trust~~.

(b) The limitation of 25 purchasers contained in Section 80A.15, Subdivision 2(h) is waived in connection with any limited distribution resulting in sales to not more than 35 persons in this state in connection with any offering being made in compliance with Rule 146 promulgated by the Securities and Exchange Commission [17 C.F.R. § 230.146 (1975)] if such offering complies in all respects with that Rule.

(c) The exemption contained in Section 80A.15, Subdivision 2(h) is withdrawn for any security representing an interest in or formed for the purpose of investing in any oil and gas venture, or any partnership, joint venture, group or association formed principally for the purpose of exploring for oil and gas or developing oil and gas reserves unless said security is sold in compliance with Rule 146 promulgated by the Securities and Exchange Commission [17 C.F.R. § 230.146 (1975)].

(d) The exemption contained in Section 80A.15, Subdivision 2(h) is withdrawn for any security representing an interest in, or

Note: This is an amendment to existing rule SDiv. 2118, which became effective May 21, 1975. It should replace existing SDiv. 2118 which begins near the bottom of page 151 and ends at the top of page 154 of the May 21, 1975 rules.

formed for the purpose of investing in, any animal breeding, animal feeding, animal leasing or similar venture, unless said security is sold in compliance with Rule 146 promulgated by the Securities and Exchange Commission [17 C.F.R. § 230.146 (1975)].

(e) For the purpose of Section 80A.15, Subdivision 2(h), "reasonable and customary commissions" means commissions which do not exceed the amounts which may permissibly be paid for the sale of particular types of securities in connection with registered offerings, as prescribed in SDiv. 2034.

(f) The exemption contained in Section 80A.15, Subdivision 2(h) is not available for any security which is advertised for sale to the general public in newspapers or other publications of general circulation or otherwise, or by radio, television or other method of mass communication. Mass communication includes a direct mailing or "seminar" where the issuer or other person making the offering does not have reasonable grounds to believe that the securities being offered would be a suitable investment for each person to whom such mailing solicitation is made, or does not have some other justifiable basis for selecting the persons to whom such mailing solicitation is made (such as existing security-holders of the issuer).

(g) (1). The exemption contained in Section 80A.15, Subdivision 2(h) is withdrawn for any security sold in a public distribution.

(2) For the purpose of this Rule, "public distribution"

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means a public offering registered under the Securities Act of 1933 or exempted by Section 3(b) of that act, provided, however, that this Rule shall not apply to exchange offers or offers of options pursuant to a plan approved, or proposed to be approved by shareholders.

(h) The exemption contained in Section 80A.15, Subdivision 2(h) is withdrawn for any security representing an interest in an association whose operations, or proposed plan of operations, would require a broker-dealer's license pursuant to Minnesota Statutes 1974, Section 80A.04, Subdivision 1, unless the association has been licensed under that section for a period not less than two consecutive years.

(i) The requirement of Clause (1) of Section 80A.15, Subdivision 2(h) is hereby waived in connection with offers to exchange securities of the issuer or another issuer made to existing security holders.

Changes or additions indicated by underlining, deletions by strikeout.

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2119 was "Reserved for Future Use." This rule should be inserted onto page 154 of the rules which became effective on May 21, 1975.

SDiv. 2119. Offers, but not sales, of any industrial revenue bond for which a registration statement has been filed under Sections 80A.01 to 80A.31, are hereby exempted from registration pursuant to Section 80A.15, Subdivision 2(i), provided, however, that any such written offer may be made only by, or only if accompanied by, the most recent preliminary or the final prospectus on file with the Commissioner.

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2121 was "Reserved for Future Use." This rule should be inserted onto page 154 of the rules which became effective on May 21, 1975.

SDiv. 2121. An option to purchase securities which has been granted without registration or pursuant to an applicable exemption in reliance upon SDiv. 2110 is not an "outstanding convertible security" as that term is used in Section 80A.15, Subdivision 2(n). Securities issued pursuant to the exercise of such an option must at the time of issuance be either registered or exempted by Section 80A.15, Subdivision 1, or Subdivisions 2(a), 2(g) or 2(h).

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2122 was "Reserved for Future Use." This rule should be inserted onto pages 154 and 155 of the rules which became effective on May 21, 1975.

SDiv. 2122(a). Any offer or sale by an affiliate of the issuer thereof is hereby exempted from registration pursuant to Section 80A.15, Subdivision 2(o) if the following conditions are met prior to any such offer or sale:

(1) if the sale is subject to Rule 144 of the Securities and Exchange Commission:

(aa) a registration statement is in effect with respect to securities of the same class of such issuer and

(bb) the sale is made pursuant to Rule 144 promulgated by the Securities and Exchange Commission and

(cc) a copy of the Form 144 is transmitted to the Commissioner contemporaneous with its transmittal to the Securities and Exchange Commission and,

(dd) all annual, quarterly, or other reports required by Section 80A.12 or any rule thereunder have been filed or distributed during the twelve months preceeding such sale (or for such shorter period for which the issuer was required to file such reports), or

(2) if the sale is not subject to Rule 144:

(aa) a registration statement is in effect with respect to securities of the same class of such issuer and

(bb) a statement of the facts called for by Form 144 has been furnished to the Commissioner concurrent with the placing with a broker-dealer of an order to execute a sale

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2122 was "Reserved for Future Use." This rule should be inserted onto pages 154 and 155 of the rules which became effective on May 21, 1975.

(if a broker-dealer is used) or at the time of the offer (if a broker-dealer is not used) and,

(cc) all annual, quarterly, or other reports required by Section 80A.12 or any rule thereunder have been filed or distributed during the twelve months preceeding such sale (or for such shorter period for which the issuer was required to file such reports).

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2126 was "Reserved for Future Use." This rule should be inserted onto page 160 of the rules which became effective on May 21, 1975 and SDiv. 2127 - 2129 relabelled "Reserved for Future Use."

SDiv. 2126 Any rescission offer described in Section 80A.23, Subdivision 8 shall normally be accompanied by a document meeting the requirements of a prospectus for a registration by qualification. Said document shall, in addition, clearly disclose any material facts concerning the alternatives available to the offeree.

Note: This is an amendment to existing rule SDiv. 2135, which became effective May 21, 1975. It should replace SDiv. 2135 which is found at the bottom of page 164 of the existing rules.

SDiv. 2135. Incorporation by Reference.

Whenever a reference is made in SDiv. 2000 to SDiv. ~~2134~~ 2137 to a federal or state statute, rule, decision or opinion, such reference shall be deemed to refer to the version of such statute, rule, decision or opinion as of April 15, 1974~~.~~, except that any such reference contained in SDivs. 2077, 2079, 2089, 2099, 2110, 2113 - 2119, 2121, 2122, 2126 and 2137 shall be to the version as of July 16, 1975.

Changes or additions indicated by underlining, deletions by strikeout.

Note: This is a completely new rule. It should be inserted onto page 165 of the rules which became effective on May 15, 1975.

SDiv. 2137. SDiv. 1 - 1102 are hereby repealed.

APPLICATION TO REGISTER SECURITIES

Form U-1 will be acceptable in lieu of this form

Application to _____ of the State of _____

pursuant to Section _____ of the _____

1. Name and address of Issuer and principal office in this state:

2. Name, address and telephone number of correspondent to whom notices and communications regarding this application may be sent:

3. Name and address of applicant:

4. Registration or acceptance for filing is sought for the following described securities in the amounts indicated:

Description of Securities	Offering Price or Proposed Offering Price	Total Offering No. of Shares or Units	Amt.	Offering in This State No. of Shares or Units	Amt.
			$		$
	Totals		$		$

Indicate the maximum commission to be charged: _____%

5. Amount of filing and examination fees which are enclosed: $_____

6. A Registration Statement was filed with the Securities and Exchange Commission on _____ and (became)(will become)effective on _____
Date Date

7. (a) List the states in which it is proposed to offer the securities for sale to the public.

(b) List the states, if any, in which the securities are eligible for sale to the public.

(c) List the states, if any, which have refused, by order or otherwise, to authorize sale of the securities to the public, or have revoked or suspended the right to sell the securities, or in which an application has been withdrawn.

DO NOT WRITE BELOW THIS LINE

8. Submitted herewith as a part of this application are the following documents (documents on file may be incorporated by reference):

(a) One copy of the Registration Statement and two copies of Prospectus in the latest form.

(b) Underwriting Agreement, Agreement among Underwriters, and Selected Dealers Agreement.

(c) Indenture.

(d) Issuer's charter or articles of incorporation as amended to date.

(e) Issuer's by-laws as amended to date.

(f) Signed copy of opinion of counsel filed with Registration Statement.

(g) Manually signed consent of accountant.

(h) Consent to service of process accompanied by appropriate corporate resolution.

(i) One copy of all advertising matter to be used in connection with the offering.

(j) Others (list each):

9. The applicant hereby applies for registration or acceptance for filing of the above registered securities under the law cited above and in consideration thereof agrees so long as the registration remains in effect that it will:

(a) Advise the above named state authority of any change prior to registration in this state in any of the information contained herein or in any of the documents submitted with or as a part of this application.

(b) File with the above named state authority within two business days after filing with the Securities and Exchange Commission (i) any amendments other than delaying amendments to the federal registration statement, designating the changed, revised or added material or information by underlying the same; and (ii) the final propsectus, or any further amendments or supplements thereto.

(c) Notify the above named state authority within two business days (i) upon the receipt of any stop order, denial, order to show cause, suspension or revocation order, injunction or restraining order, or similar order entered or issued by any state or other regulatory authority or by any court, concerning the securities covered by this application or other securities of the issuer currently being offered to the public; and (ii) upon the receipt of any notice of effectiveness of said registration by the Securities and Exchange Commission if applicable.

(d) Notify the above named state authority at least two business days prior to the effectiveness of any registration with the Securities and Exchange Commission of (i) any request by the issuer or applicant to any state or regulatory authority for permission to withdraw any application to register the securities described herein; and (ii) a list of all states in which applications have been filed where the issuer or applicant has received notice from the state authority that the application does not comply with state requirements and cannot or does not intend to comply with such requirements.

(e) Furnish promptly all such additional information and documents in respect to the issuer or the securities covered by this application as may be requested by the above named state authority prior to registration or acceptance for filing.

Date: _____

_____
Name of Applicant

By _____
(Name & Title)

STATE OF _____)
COUNTY OF _____)

The undersigned, _____, being first duly sworn, deposes and says:

That he has executed the foregoing application for and on behalf of the applicant named therein; that he is _____ of such applicant and is fully authorized to execute and file such application; that he is familiar with application; and that to the best of his knowledge, information and belief the statements made in such application are true and documents submitted therewith are true copies of the originals thereof.

_____
Name

Subscribed and sworn to before me
this _____day of _____, 19__

_____
NOTARY PUBLIC

In and for the County of _____
State of _____
My Commission Expires: _____
(Notarial Seal)

Form 137

STATE OF MINNESOTA
SECURITIES DIVISION - DEPARTMENT OF COMMERCE
5th Floor Metro Square Building
Seventh and Robert Streets
St. Paul 55101

BLANKET BOND FOR AGENTS
ACTING FOR ISSUER OR BROKER/DEALER IN SECURITIES

BOND #_____

KNOW ALL MEN BY THESE PRESENTS: That we,_____ _____of_____, in the State of_____, as Principal, and_____ of_____, a corporation duly organized and existing under the laws of the State of_____ and authorized to do business in the State of Minnesota, as Surety, are hereby held and firmly bound unto the State of Minnesota, for the use and benefit of any original purchaser or seller of securities from or through said Principal or for the use and benefit of any other person damaged by any breach of the conditions of this obligation, in the sum of_____Dollars ($_____),*lawful money of the United States, for the payment of which sum well and truly to be made we bind ourselves, our successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THE ABOVE OBLIGATION ARE SUCH THAT:

WHEREAS, The above-named Principal is a broker/dealer licensed under the provisions of Chapter 80A, Minnesota Statutes, as amended, or issuer of securities make registered pursuant to the provisions of said Act, and has made or is about to make application to the Commissioner of Securities for licenses to sell securities within the State of Minnesota by agents of said Principal; and

WHEREAS, The above-named Principal may, at its option, file a blanket surety bond herein;

NOW, THEREFORE, If the agents of said Principal shall faithfully observe the provisions of the laws of the State of Minnesota relating to the sale of securities, as set forth in Chapter 80A, Minnesota Statutes, as amended, and shall faithfully account for all moneys and securities of another received by said agents as salesmen of said Principal, and shall promptly and faithfully pay all of the obligations and claims for damages for which they may become liable, based upon fraud, deceit, misrepresentation, or otherwise, in the course of their said agency in the sale in Minnesota of any security or securities sold or dealth in by said Principal through said agents under their licenses and within the period thereof, then this obligation shall be void; otherwise to be and remain in full force and effect.

The liability of the surety on this bond, not exceeding $5,000.00 for any one agent of a Broker Dealer or $5,000.00 for any one agent of an issuer, shall be the sum total of any and all recoveries hereunder and shall not exceed_____Dollars ($_____).*

This bond may be canceled by either the Principal or the Surety by giving thirty (30) days notice thereof in writing to the other and mailing by registered mail a copy of said notice to the Commissioner of Securities of the State of Minnesota. In the event of such cancellation, which shall take effect at the expiration of said thirty (30) days, no claim having been made hereunder, the Surety shall refund the unearned premium.

No suit may be maintained to enforce any liability on the bond, unless brought within three years after the sale or other act upon which it is based.

*For agents of broker dealer, a maximum of $50,000; for Agents of an issuer, a maximum of $50,000 or 10% of the aggregate amount of securities offered, whichever is less.

IN WITNESS WHEREOF, We have hereunto set our hands and seals this _____day of_____, 19__.

_____
Principal

(Corporate Seal if a corporation)

(Corporate Seal) By_____

APPROVED THIS_____DAY OF

_____, 19__. _____
Surety

_____
Commissioner of Securities By_____

NOTE - ACKNOWLEDGMENT REQUIREMENTS ON REVERSE SIDE HEREOF.

(ACKNOWLEDGMENT OF INDIVIDUAL)

STATE OF_____)
)ss
COUNTY OF_____)

On this_____, 19__, before me personally appeared_____, to me known to be the person described in and who executed the foregoing instrument, as Principal, and acknowledged to me that he executed the same as his free act and deed.

(NOTARIAL SEAL)

_____
Notary Public,_____
County,_____
My commission expires_____
_____

- - - -

(ACKNOWLEDGMENT OF PARTNERSHIP)

STATE OF_____)
)ss
COUNTY OF_____)

On this_____day of_____, 19__, before me personally appeared_____, to me known to be a member of the firm who executed the foregoing instrument, and he duly acknowledged to me that he executed the same as and for the act and deed of said firm.

(NOTARIAL SEAL)

_____
Notary Public,_____
County,_____
My commission expires_____
_____

- - - -

(ACKNOWLEDGMENT OF CORPORATION)

STATE OF_____)
)ss
COUNTY OF_____)

On this_____day of_____, 19__, before me personally came_____and says that he is the_____ of_____, Principal heretofore named; that he executed the instrument for and in its behalf, by authority of its Board of Directors, and affixed its seal thereto.

(NOTARIAL SEAL)

_____
Notary Public,_____
County,_____
My commission expires_____
_____

Form 101

APPLICATION FOR INVESTMENT ADVISER'S LICENSE

State of Minnesota
SECURITIES DIVISION - DEPARTMENT OF COMMERCE
5th Floor Metro Square Building
Seventh and Robert Streets
St. Paul 55101

The undersigned_____ hereby makes application for a license as an Investment Adviser, under the provisions of Chapter 80A, Minnesota Statutes 1974, and hereby remits the statutory fee of $100 for the purpose of procuring such license. Make check payable to State Treasurer, State of Minnesota, and mail to Commissioner of Securities.

Every question must be answered. Omission of any material fact in connection with the following questions will be deemed intentional and will constitute sufficient reason for denial or revocation of license.

1. Name of business:_____.

2. Post-office address of principal office and of each branch office:
_____
_____.

3. Date of establishment of present business:_____.
If incorporated, give state and date of incorporation_____.

4. Name and date of establishment of predecessor business:_____
_____.

5. For applicant and for each controlling person associated with applicant's personnel, attach a separate exhibit containing description of education and experience.

6. If applicant is engaged in any business other than investment counselling or rendering services pertaining to securities, briefly describe such other business:_____
_____.

7. State whether applicant is affiliated with or sponsors any investment trust._____. If so, furnish details:_____
_____.

8. Attach copy of all forms of contracts between applicant and clients.

9. State whether applicant pays to any person, other than its officers, directors, regular employees or regular members of its organization, attorneys and for other than necessary direct expenses of the applicant, any portion of the fee collected for investment advice rendered to clients._____. If so, state under what circumstances._____
_____
_____.

10. Does applicant have discretionary power over investment of clients' funds?_____.

11. State whether applicant or client selects the broker or dealer to effect transaction for client._____.

12. Describe the arrangement (if any) with clients with respect to the execution of orders for the purchase or sale of securities: _____

13. State whether applicant at any time has access to or custody of clients' funds and/or securities. _____.

If so, furnish complete information as to arrangement with client. _____

14. Furnish complete information as to present business of applicant, classified as follows:

Type of Account	Total Number of Accounts	Approximate Total Amount of Funds in Such Accounts
(a) Investment trusts	_____	$_____
(b) Investment companies	_____	$_____
(c) Common or co-mingled fund	_____	$_____
(d) Banks	_____	$_____
(e) Insurance companies	_____	$_____
(f) Non-profit corporations	_____	$_____
(g) Other corporations	_____	$_____
(h) Individual clients	_____	$_____
(i) Other trusts or estates	_____	$_____

15. State whether applicant places or limits accounts with respect to:

(a) Minimum amount of any account which applicant will accept. _____.

(b) Minimum fee payable by client. _____.

16. Furnish copies of any bulletins, circulars, or literature prepared by applicant for distribution to 50 or more clients or potential clients.

17. Does applicant advertise its services? _____.
If so, in what form? _____.

18. Furnish detailed information concerning organization of statistical and research departments and methods used by each to obtain information upon which investment recommendations are made if done internally. If done externally, please state sources. _____

19. If applicant be a corporation, is any officer, director, or employee (or if applicant be a partnership, is any member thereof) a proprietor, partner, officer, or director in any organization engaged in the business of distribution of securities to the public as broker or principal? _____.

If so, furnish details. _____

20. Has applicant or any officer thereof ever been suspended or expelled from any stock exchange; been named as defendant in any criminal action; has been the subject of any order or disciplinary proceeding of any State or Federal Agency?

_____

If so, explain. _____

_____

_____

21. Attached hereto and made a part hereof, marked Exhibit X, is a copy of the most recent audited financial statements of the applicant and unaudited statements as of a date not later than 90 days prior to this filing.

The applicant represents that the statements contained herein are true and correct.

IN WITNESS WHEREOF, The said applicant has hereunto affixed its signature this _____ day of _____ 19__.

_____

By _____

Title _____

NOTE - ACKNOWLEDGMENT REQUIREMENTS ON REVERSE SIDE HEREOF.

CORPORATE VERIFICATION

STATE OF_____)
) ss
COUNTY OF_____)

_____,
being first duly sworn, says that he is the_____of
_____, applicant above named,
and executes this instrument for and in its behalf, by authority of its board of directors; that he has read the foregoing application, including all exhibits submitted therewith, and states that the contents thereof are true of his own knowledge.

_____

Subscribed and sworn to before me this
_____day of_____, 19__

_____

Notary Public, _____County,
_____. My Commission Expires _____
_____.

INDIVIDUAL VERIFICATION

STATE OF_____)
) ss
COUNTY OF_____)

_____,
being first duly sworn, says that he is_____
_____
applicant; that he has read the foregoing application, including all exhibits submitted therewith, and states that the contents thereof are true of his own knowledge.

_____

Subscribed and sworn to before me this
_____day of_____, 19__

_____

Notary Public, _____County,
_____. My Commission Expires
_____.

Form 172

BOND FOR INVESTMENT ADVISOR

KNOW ALL MEN BY THESE PRESENTS, That we,_____
_____, as Principal, and_____
a_____,
qualified and authorized to do business in the State of Minnesota, as Surety, are held and firmly bound unto the STATE OF MINNESOTA for the use and benefit of any interested person, in the sum of $25,000.00, lawful money of the United States of America, to be paid to the State of Minnesota for the use and benefit aforesaid, for which payment well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, That Whereas the above named Principal has made application to the State of Minnesota, Department of Commerce, Securities Division, for licensing as an Investment Advisor within the meaning of the Minnesota Securities Act and is required to furnish a bond in the sum above named, conditioned as herein set forth:

NOW, THEREFORE, If the Principal, their agents and employees, shall strictly, honestly and faithfully comply with the provisions of the aforementioned Minnesota Securities Act, and shall pay all damages suffered by any person by reason of the violation of any of the provisions of the Act, or Acts amendatory thereof and supplementary thereto, now or hereafter enacted, or by reason of any fraud, dishonesty, misrepresentation or concealment of facts materially affecting the value of any securities connected with, or growing out of any transaction contemplated by the provisions of this Act, then this obligation shall be void; otherwise to remain in full force and effect.

THIS BOND shall become effective on the_____, and shall remain in force until the Surety is released from liability by the State of Minnesota, Department of Commerce, Securities Division, or until this bond is cancelled by the Surety. The Surety may cancel this bond and be relieved of further liability hereunder by giving thirty (30) days' written notice to the Principal and to the Department of Commerce, Securities Division of the State of Minnesota.

THIS BOND shall be one continuing obligation, and the liability of the Surety for the aggregate of any and all claims which may arise hereunder shall in no event exceed the amount of the penalty hereof.

No suit may be maintained to enforce any liability on the bond, unless brought within three years after the sale or other act upon which it is based.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____day of_____, 19__.

WITNESS:

_____ _____

_____

ATTEST: _____

_____ By_____

(INDIVIDUAL ACKNOWLEDGMENT)

STATE OF_____)
) ss
COUNTY OF_____)

On this_____day of _____, 19__, before me, a Notary Public within and for said county, personally appeared, _____, to me known to be the person described in and who executed the foregoing instrument, as Principal, and acknowledged to me that he executed the same as his free act and deed.

_____

(NOTARIAL SEAL) Notary Public,_____

County, _____

My Commission Expires_____

_____

(CORPORATE ACKNOWLEDGMENT)

STATE OF_____)
) ss
COUNTY OF_____)

On this_____day of_____, 19__, before me a Notary Public within and for said county, personally appeared, _____, who being first duly sworn, says that he is the_____ _____of_____, Principal herein, and executed the foregoing instrument for and in its behalf, by authority of its Board of Directors; that the seal affixed to the foregoing instrument is the corporate seal of said corporation; and further acknowledged said instrument and the execution thereof to be the voluntary act and deed of said corporation.

_____

(NOTARIAL SEAL) Notary Public,_____

County,_____

My Commission Expires_____

_____

(SURETY ACKNOWLEDGMENT)
(Corporate Officer)

STATE OF_____)
) ss
COUNTY OF_____)

On this_____day of_____, 19__, before me, a Notary Public within and for said county, personally appeared _____, who being first duly sworn, says that he is the_____of_____, Surety herein, a corporation duly organized and existing under laws of the State of_____, and executed the foregoing instrument for and in its behalf, by authority of its Board of Directors; that the seal affixed to the foregoing instrument is the corporate seal of said corporation; and further acknowledged said instrument and the execution thereof to be the voluntary act and deed of said corporation.

_____

(NOTARIAL SEAL)

Notary Public, _____

County,_____

My Commission Expires_____

_____

Approved by the Securities Division of the Department of Commerce this_____day of_____, 19__.

By_____
Commissioner of Securities

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES DIVISION
5th Floor Metro Square
St. Paul, Minnesota 55101

DIRECTORS RESOLUTION AUTHORIZING
CORPORATE APPOINTMENT OF ATTORNEY

On motion, the following resolution was duly passed and adopted:

WHEREAS, this corporation is organized under the laws of the State of _____, and proposes to make application for Dealer/Broker/Investment Adviser License within the State of Minnesota, and,
(Delete categories not applicable)

WHEREAS, under the Securities Laws of the State of Minnesota, it is necessary to appoint an attorney to receive legal process,

BE IT RESOLVED, that in conformity with the laws of the State of Minnesota, the President and the Secretary of this corporation are hereby authorized and directed to execute and file with the Commissioner of Securities of the State of Minnesota, in the form prescribed by the said Commissioner, the appointment of the Commissioner of Securities of the State of Minnesota, his successor or successors, as its true and lawful attorney upon whom may be served all legal process in any action or proceeding in which this corporation may be a party and which relates to or involves any transaction covered by the Securities Laws of the State of Minnesota. Be it further resolved that this corporation does hereby expressly consent and agree that service on said attorney shall be as valid and binding as if due and personal service had been made on this corporation, and that such appointment shall be and is irrevocable.

I, _____, Secretary of _____
_____, hereby certify that the foregoing is a true and exact copy of a resolution of the board of directors of the _____
which resolution was duly adopted by said board of directors effective on the _____ day of _____, 19__.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said corporation this _____, day of _____, 19__.

(CORPORATE SEAL)

_____
Secretary

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES DIVISION

CORPORATE APPOINTMENT OF ATTORNEY FOR SERVICE OF PROCESS

KNOW ALL MEN BY THESE PRESENTS:

That in compliance with the Laws of the State of Minnesota, _____

_____,

a corporation organized and existing under the laws of _____, does hereby appoint the Commissioner of Securities of the State of Minnesota, his successor or successors, as its true and lawful attorney upon whom may be served all legal process in any action or proceeding in which it may be a party and which relates to or involves any transaction covered by the Securities Laws of the State of Minnesota, and does hereby expressly consent and agree that service upon such attorney shall be as valid and binding as if due and personal service had been made upon it and that such appointment shall be irrevocable.

IN WITNESS WHEREOF, said corporation has caused this instrument to be executed by its president and secretary and its corporate seal to be affixed this

_____day of _____, 19__.

_____

(CORPORATE SEAL) By _____
President

And _____
Secretary

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, 19__, before me, a notary public in and for said County and State, personally appeared _____

_____ and _____, to me known to be the persons described in and who executed the foregoing instrument and who, being by me first duly sworn, did say that they are the president and secretary, respectively, of _____, the corporation described in the foregoing instrument, that the seal affixed to said instrument is the corporate seal of said corporation, that said instrument was executed in behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

_____

(NOTARIAL SEAL) Notary Public, _____County, _____

My Commission expires _____

Form 106-

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES DIVISION
5th Floor Metro Square
St. Paul, Minnesota 55101

INDIVIDUAL APPOINTMENT OF ATTORNEY FOR SERVICE OF PROCESS

KNOW ALL MEN BY THESE PRESENTS:

That in compliance with the Laws of the State of Minnesota, _____ _____ a non-resident, does hereby appoint the Commissioner of Securities of the State of Minnesota, his successor or successors, as his true and lawful attorney upon whom may be served all legal process in any action or proceeding in which he may be a party and which relates to or involves any transaction covered by the Securities Laws of the State of Minnesota, and does hereby expressly consent and agree that service upon such attorney shall be as valid and binding as if due and personal service had been made upon him and that such appointment shall be irrevocable.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 19__.

_____

_____

_____
Address

_____

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____ personally appeared before me, a notary public in and for said County and State, _____ _____,

to me known to be the person described in and who executed the foregoing instrument and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

_____

Notary Public, _____ County _____

(NOTARIAL SEAL)

My Commission expires _____

SECURITIES DIVISION, DEPARTMENT OF COMMERCE
STATE OF MINNESOTA, ST. PAUL, MINNESOTA

Quarterly Report Pursuant to Section 80A.12, Subdivision 8, Minnesota Statutes

So long as a registration statement is effective, the person filing the registration statement shall file three quarterly reports.

(1) _____ _____
(Date of Report) (Quarterly Period Covered)

(2) _____
(Exact name of Registrant)

(3) _____ _____
(State or other jurisdiction of incorporation of organization) (Minnesota file number)

(4) _____ _____
(Address of principal executive offices) (Zip Code)

(5) Registrant's telephone number including area code _____

(6) A balance sheet, income statement, statement of changes in financial position (none of which need be audited), and such other disclosure as may be needed to make the statements not misleading.

(7) A description of all sales of unregistered securities made within the quarterly period covered:

(a) The type of securities sold, and the date of sale;

(b) The number and dollar amount of securities sold;

(c) The persons or class of persons to whom such securities were sold;

(d) The market price of the securities sold on the date of sale;

(e) The name of any broker-dealer or agent participating in such sale, and the amount of commissions or other remuneration paid;

(f) The exemptions claimed for any such sales; and

(g) Whether the securities have been legended and if stop transfer instructions have been placed on said securities, and if no restrictions, the reasons therefor.

(8) A description of all securities of the registrant repurchased or otherwise reacquired by the registrant within the quarterly period covered by the report.

(9) The names and addresses of all officers and directors, or persons occupying similar status or performing similar functions if such information has changed since the most recent report (whether it was a quarterly report or an annual report).

_____
Authorized Signature

_____
Position

The quarterly report shall be filed within 45 days following the end of each quarter of each fiscal year except for the final quarter of the issuer's fiscal year.

SECURITIES DIVISION, DEPARTMENT OF COMMERCE
STATE OF MINNESOTA, ST. PAUL, MINNESOTA

Annual Report Pursuant to Section 80A.12, Subdivision 10, Minnesota Statutes

ANNUAL REPORT FEE $100

(1) For the fiscal year _____ Date of Report _____

(2a) _____
(Exact name of issuer)

(2b) _____
(Exact name of security registered)

(3) _____ _____
(State or other jurisdiction of incorporation or organization) Minnesota File Number

(4) _____ _____
(Address of principal executive offices) Zip Code

(5) Issuer's telephone number, including area code _____

(6a) Number of shares or other units outstanding at end of last fiscal year _____

b) Number of shares or other units outstanding at the end of this fiscal year _____

c) Explanation of increase or decrease in outstanding shares or units during this fiscal year:

d) Date issued	Number of shares or units	Consideration received	Exemption claimed (Minnesota Statute)

e) Explanation of other securities of the issuer which were issued during this fiscal year _____

f) Type of Security	Date Issued	Consideration Received	Exemption claimed (Minnesota Statute)

g) The persons or class of persons to whom any securities were sold:

h) The name of any broker-dealer or agent participating in any sales and the amount of commissions or other remuneration paid, if applicable:

(7) A description of all securities of the registrant repurchased or otherwise reacquired by the registrant within the fiscal year covered by the report:

(8) The names and addresses of all officers and directors, or persons occupying similar status or performing similar functions:

(9) A description of the business of the registrant, including its products and services, competitive conditions, sources of supply, the number and general function of employees, its market area, and any other factors which materially affect the business or operations of the registration:

(10) A summary of operations for the fiscal year covered by the report including, without limitation, gross revenues, cost of goods sold or services provided, net income, debt service and earnings per share of each class of equity security outstanding, together with a comparison of similar figures for the fiscal year immediately preceding the fiscal year covered by the report. The comparison required by this paragraph may be presented in columnar form:

(11) A brief description of the location and general character of plants, mines and other materially important physical properties of the registrant:

(12) A description of any material legal proceedings pending against the company:

(13) A description of all parents and subsidiaries of the registrant, and an explanation of the manner in which each is affiliated with the registrant:

(14) The approximate number of holders of record of each outstanding class of equity securities:

(15) A list in tabular form of the name and address of each officer, and any person known to the registrant who beneficially owns 10 percent or more of any class of outstanding voting securities of the registrant, showing for each the title of the class owned, the type of ownership, the amount owned and the percent of class owned:

(16) A list in tabular form of the amount of remuneration received and the capacity in which such remuneration was received for each officer and director (in the case of officers, only those officers who received in excess of $25,000 during this fiscal year need be listed):

(17) A list and description of the number and exercise price of all options outstanding which are beneficially owned by any officer or director:

(18) A description of any transactions in the last fiscal year or any currently pending transaction to which the issuer or any of its subsidiaries was a party and in which any director, officer, ten percent shareholder or any affiliate had or will have a direct or indirect material interest, and a description of the nature of such interest.

(19) Financial statements certified by an independent accountant complying with the requirements of SDiv. 2133 of these rules.

_____

Authorized Signature

_____

Position

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Form 111

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES DIVISION
5th Floor Metro Square
St. Paul, Minnesota 55101

SECURITIES AGENT BOND No. _____

KNOW ALL MEN BY THESE PRESENTS, that _____ (Securities agent or applicant) of _____ Minnesota, as principal, and _____ of _____ a corporation duly organized and existing under the laws of the State of _____ and authorized to do business in the State of Minnesota, as surety, hereby are jointly and severally held and firmly bound to the State of Minnesota, in the sum of $5,000 as Agent for Broker-Dealer) or ($5,000 as Agent for Issuer) for the use and benefit of the public including persons injured or suffering financial loss by reason of the failure of Principal to perform or satisfy the obligations and conditions hereinafter specified, for the payment of which, well and truly to be made, we bind ourselves, and each of use, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THE ABOVE OBLIGATION ARE SUCH THAT:

WHEREAS, the said Principal is licensed, or has made or is about to make application to be licensed, as a securities agent pursuant to the provisions of Minn. Stat., Ch. 80A as amended, and

WHEREAS, Principal as such agent is required to file and maintain in effect a surety bond in accordance with the provisions of said law, as a condition for issuance of such securities agent license.

NOW, THEREFORE, if the said Principal shall faithfully observe all provisions of the laws of the State of Minnesota relative to the sale of securities, including the provisions of Minn. Stat., Ch. 80A as amended, and shall faithfully perform and pay all obligations devolving upon said Principal by virtue of his agency and the laws relative to the sale of securities, and shall promptly pay all claims for damages for which said Principal may be or become liable through fraud, deceit, misrepresentation, or otherwise arising out of or in any way connected with any misfeasance or malfeasance of Principal as a securities agent or his holding himself out as a securities agent, then and in the event, the foregoing obligations shall be void; otherwise to remain in full force and effect.

This bond shall be effective and run concurrently with the one year period of the securities agent license issued or to be issued to said Principal, from the date said license is granted, except that the liability upon the bond shall continue notwithstanding said expiration of the period of the bond, for or arising out of any and all acts of the said Principal during said stated period of the bond. The total liability of the surety hereunder shall in no event exceed the sum of _____ Dollars (_____).

No suit may be maintained to enforce any liability on the bond unless brought within three years after the sale or other act upon which it is based.

Signed this _____ day of _____, 19__.

Signed, Sealed and
Delivered in the Presence of:

(as to Principal)

_____ _____
Principal

_____ _____(Seal)
Surety

(as to Surety)

_____ By _____
Attorney in Fact

_____

Acknowledgment of Principal

STATE OF MINNESOTA)
) SS.
COUNTY OF _____)

On this _____ day of _____, 19__, personally came _____ to me well known to be the identical person described in and who executed the foregoing instrument and he/she acknowledged the same to be his/her own free and deed.

_____
Notary Public

(SEAL)

(ATTACH ACKNOWLEDGMENT OF OFFICER OF SURETY)

Countersigned by Minnesota Resident Agent _____

ESCROW AGREEMENT

THIS ESCROW AGREEMENT made and entered into this _____ day of _____, 19___, by and between _____ _____ _____(herein collectively referred to as Depositors); _____ _____, a corporate fiduciary with principal office in _____ (hereinafter called the Escrow Agent); _____ _____ a corporation with principal offices in _____ _____(hereinafter called the Issuer) and the Commissioner of Securities for the State of Minnesota (hereinafter called the Commissioner);

WITNESSETH THAT:

Each of the Depositors is the owner of _____ (description of security) _____ of the Issuer and each owns the number of units of such security listed opposite his name on Annex A, attached hereto and made a part hereof.

The Issuer has applied to the Commissioner for registration of its securities for sale to residents of Minnesota, and as a condition of registration the Depositors, the Escrow Agent and the Issuer agree to be bound by this Agreement and the applicable Rules and Regulations of the Commissioner.

Each of the Depositors has deposited the securities listed opposite his name on Annex A with the Escrow Agent, and the Escrow Agent hereby acknowledges receipt thereof. These securities are herein collectively referred to as "escrowed securities".

THEREFORE, the parties agree as follows:

1. The Escrow Agent agrees to hold the escrowed securities until such time as Escrow Agent shall receive a written release issued by the Commissioner permitting the release from escrow of all or a part of the escrowed securities held under this Agreement. Upon receipt of such release, the Escrow Agent may release to each Depositor all or a part of his escrowed securities in accordance with the order of the Commissioner.

Subject to the above provisions, the term of escrow under this Agreement shall run for a period of _____ years from the date of the Order of Registration, unless at an earlier date the Issuer shall have demonstrated annual net earnings, after taxes and excluding extraordinary items, determined in accordance with generally accepted accounting principles, for any two consecutive years after the date of the Order of Registration, of at least _____ percent on an amount determined by multiplying the total number of outstanding shares of the Issuer, including the escrowed securities, by the average price per share paid by public investors. The existence of the required annual net earnings shall be demonstrated by certification to that effect furnished to the Commissioner by an independent certified public accountant or an authorized officer of the issuer. In addition, the Issuer and each of the Depositors shall furnish the Commissioner a written statement that none of the escrowed securities nor any interests therein have been sold, transferred or otherwise disposed of (except as permitted by paragraph #4) as a condition of the release from escrow.

2. Notwithstanding any provision of paragraph 1, the Commissioner may, in his discretion, terminate the term of escrow with respect to all or any part of the escrowed securities of any Depositor before the expiration of the period of occurrence of the event specified in paragraph 1 and release such securities if he determines that the release of such securities to the Depositor(s) will not be detrimental to the Issuer, the public investors or any other party concerned. At the time of release by the Commissioner of any securities from escrow, the application of this Agreement shall terminate with respect to the securities so released.

3. While it is held in escrow pursuant to this Agreement, no escrowed security nor any interest therein, nor any right or title thereto, may be sold or transferred, by means of transfer of the security separate from the certificate representing it or otherwise, without the prior written release of the Commissioner, except that the release of the Commissioner need not be obtained to transfer escrowed shares by will or the laws of descent and distribution or otherwise by order or process of any Court.

4. Upon receipt of such written release from the Commissioner directing that some or all of the escrowed securities of the Depositor held under this Escrow Agreement be released for the purpose of transfer to another person against concurrent deposit of the securities so transferred, the Escrow Agent may release such securities but only against such deposit under this Agreement of all of the transferred securities. The commissioner shall authorize such transfer of the escrowed securities only upon receipt of a signed statement by the proposed transferee that he has full knowledge of the terms of this Escrow Agreement and that he accepts such securities subject to the conditions of this Escrow Agreement.

5. The Depositors agree that they shall be entitled to receive cash and property dividends with respect to the escrowed securities while such securities are held in escrow pursuant to this agreement to the same extent as other security holders of the same class of security and that said cash or property dividends shall be placed under the terms of this Escrow Agreement.

6. Upon declaration of any dividend in shares of the Issuer or a subsidiary to which the escrowed securities are entitled pursuant to a share dividend or split authorized by a vote of the shareholders, the Depositors and the Escrow Agent shall forthwith enter into a Supplemental Escrow Agreement, covering such share dividend, which Supplemental Escrow Agreement shall incorpoate all the conditions of escrow contained in this Agreement. The shares received as dividend shall be forthwith deposited in escrow with the Escrow Agent pursuant to such Supplemental Escrow Agreement, and the Escrow Agent shall deliver to the Commissioner a receipt for the shares thus escrowed.

7. During the term of escrow, the Depositors shall not be entitled to and hereby waive all rights to participate in any distribution of assets of the Issuer in the event of liquidation, dissolution, or winding up, until the public investors shall have received cash or property in an amount or value equal to the price paid by public investors shall have received cash or property in an amount or value equal to the price paid by public investors for securities purchased by such public investors; and thereafter the Depositors shall participate without the public investors until they shall have received cash or other property in an amount or value equal to the price paid by the Depositors for the escrowed securities; and thereafter the public investors and the Depositors shall participate equally according to the terms of their securities. Any Depositor(s) seeking release of all or any part of his escrowed securities pursuant to this paragraph 7 shall furnish the Commissioner a written statement that none of the escrowed securities nor any interests therein have been sold, transferred (except as provided in paragraph 4) or otherwise disposed of, without the consent of the Commissioner, as a condition of the release from escrow.

8. This Escrow Agreement shall not be construed to prohibit any Depositor from participating in any distribution of securities of any corporation other than the Issuer resulting from the sale of assets of the Issuer or a merger or consolidation of the Issuer with or into any other corporation or corporations. In the event of such a transaction, the Escrow Agent should obtain written authorization from the Commissioner prior to the release of the escrowed securities, and, any such distribution payable in securities of any corporation other than the Issuer paid with respect to the escrowed securities shall be delivered to the Escrow Agent and held pursuant to a Supplemental Escrow Agreement prepared and executed as described in paragraph 7, above. In the event of the merger or consolidation of the Issuer with or into any other corporation or corporations, any securities shall be delivered to the Escrow Agent and held pursuant to a Supplemental Escrow Agreement prepared and executed as described in paragraph 6, above.

9. The Escrow Agent may conclusively rely upon and shall be protected in acting upon any statement, certificate, notice request, consent, order or other document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow Agent shall have no duty or liability to verify any such statement, certificate, notice, request, consent, order or other document and its sole responsibility shall be to act only as expressly set forth in this Escrow Agreement. The Escrow Agent shall be under no obligation to institute or defend any action, suit or proceeding in connection with this Escrow Agreement unless first indemnified to its satisfaction. The Escrow Agent may consult counsel in respect of any question arising under this Escrow Agreement and the Escrow Agent shall not be liable for any action taken or omitted in good faith upon advice of such counsel. All securities held by Escrow Agent pursuant to this Escrow Agreement shall constitute trust property for the purposes for which they are held and the Excrow Agent shall not be liable for any interest thereon.

10. The Escrow Agent shall be entitled to receive from the Company reasonable compensation for its services as contemplated herein. In the event that the Escrow Agent shall render any additional service not provided for herein or that any controversy shall arise hereunder or that the Escrow Agent shall be made a party or shall intervene in any action, suit or proceeding pertaining to this Escrow Agreement, it shall be entitled to receive reasonable compensation from the Company for such additional services.

11. This Escrow Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, successors and assigns.

12. This Escrow Agreement shall terminate in its entirety when all escrowed securities covered hereby and by any Escrow Agreements supplemental hereto have been released as provided in paragraph 1.

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement on the date first above written.

Escrow Agent:

By _____
Its _____

and _____
Its _____

(Corporate Seal)

Depositors:

_____

_____

_____

_____

Issuer:

By _____
Its _____

and _____
Its _____

Accepted for filing:

_____
Commissioner of Securities

IMPOUNDMENT AGREEMENT

THIS IMPOUNDMENT AGREEMENT made and entered into this _____ day of _____. 19___, by and between _____

_____

(hereinafter called the Issuer),_____

_____

(a national or state) banking association or trust company with principal offices in _____(hereinafter called the Impoundment Agent), and _____whose address is_____(hereinafter called the Underwriter);

WITNESS THAT:

WHEREAS, Issuer has applied to the Commissioner of Securities for the State of Minnesota (hereinafter called the Commissioner) for registration of_____for
(Description of Securities)
sale to the residents of the State of Minnesota; and

WHEREAS, as a condition of registration of such offering under the Securities Laws of the State of Minnesota the Commissioner requires that the Issuer provide for the impoundment of the proceeds to be received from such offering of securities; and

WHEREAS, the Issuer, the Impoundment Agent and the Underwriter desire to enter into an agreement with respect to the said impoundment of proceeds;

NOW, THEREFORE, in consideration of the premises and agreements set forth herein, the parties hereto agree as follows:

1. PROCEEDS TO BE PLACED IN ESCROW:

All proceeds received from the sale of the securities subject to this Impoundment Agreement on or after the date hereof shall be paid to the Impoundment Agent within two business days from the date of sale and deposited by Impoundment Agent in an escrow account. During the term of this Impoundment Agreement, the Issuer and Underwriter shall cause all checks received by them in payment for such securities to be either payable to the Impoundment Agent or endorsed forthwith to the Impoundment Agent.

2. IDENTITY OF SUBSCRIBERS:

The Issuer and Underwriter shall cause to be delivered to the Impoundment Agent two signed counterparts of each Subscription Agreement which shall contain, among other things, the name and address of each subscriber thereto, the date and amount subscribed, and the amount paid, or, in the alternative, shall furnish to the Impoundment Agent with each deposit of funds in the impoundment a list of the persons who have subscribed the money, showing the name, address, date and amount of subscription and amount of money paid. All proceeds so deposited shall remain the property of the subscriber and shall not be subject to any liens or charges by the Impoundment Agent or Underwriter, or judgments or creditors' claims against the Issuer until released to the Issuer as hereinafter provided.

3. DISBURSEMENT OF FUNDS:

Upon the receipt by Impoundment Agent of amounts paid in of not less than $_____, the Impoundment Agent shall forthwith notify the Commissioner in writing of the impoundment of such amounts. Upon receipt by Impoundment Agent of written authorization from the Commissioner, then said Impoundment Agent, on demand of the Issuer, shall pay over to the Issuer all impounded funds. If the specified minimum amount of proceeds have not been impounded during the term of impoundment, then, within three business days after the last day of the term of impoundment, the Impoundment Agent shall notify the Commissioner in writing that the conditions of impoundment have not been satisfied, and shall within a reasonable time, but in no event not more than thirty (30) days after the last day of the term of impoundment, refund to each subscriber at the address appearing on the Subscription Agreement or list of subscribers, or at such other address as shall be furnished the Impoundment Agent by the subscriber in writing, all sums paid by him pursuant to his subscription, and shall then notify the Commissioner in writing of such refund.

4. TERM OF IMPOUNDMENT:

This impoundment shall terminate on the _____ day following the effective date of the registration of the Issuer's securities in the State of Minnesota, unless extended by the consent in writing of the parties hereto and all subscribers to the securities subscribed to date and the Commissioner. Upon termination hereof, whether after extension or otherwise, the Impoundment Agent shall disburse the funds in the impoundment account in the manner and upon the terms directed in paragraph three hereof. The Issuer may abandon the sale of securities anytime prior to the date above. Upon the receipt of a copy of the Resolution authorizing said abandonment, duly attested to by the Secretary of the Issuer, accompanied by the written consent of the Commissioner, Impoundment Agent shall be authorized to refund the monies received from the subscribers.

5. TERMINATION BY REVOCATION OR SUSPENSION:

If at anytime prior to the termination under paragraph four of this impoundment, said Impoundment Agent is advised by the Commissioner that the registration to sell securities has been revoked or suspended, said Impoundment Agent shall thereupon return all funds to the respective subscribers.

6. CONSENT OF COMMISSIONER TO RELEASE FUNDS:

No funds shall be released to the Issuer hereunder except upon the express written authorization of the Commissioner. If the Commissioner finds that any conditions of this Agreement have not been satisfied, or that any provisions of the Minnesota Securities Laws or regulations have not been complied with, then he may withhold such authorization for release of funds by the Impoundment Agent to the Issuer and may direct the Impoundment Agent to return the funds to the subscribers. In making his determination hereunder, the Commissioner may require from the Issuer a statement of all expenses and/or all amounts paid into the escrow, certified by an independent certified public accountant or an officer of the Issuer and any further financial or other information as the Commissioner may deem appropriate or helpful in making such determination.

7. INSPECTION OF RECORDS:

The Commissioner may, at any time, inspect the records of the Impoundment Agent, insofar as they relate to this Impoundment Agreement, for the purpose of determining compliance with and conformance to the provisions of this Impoundment Agreement.

8. DUTY AND LIABILITY OF THE IMPOUNDMENT AGENT:

The sole duty of the Impoundment Agent, other than as herein specified, shall be to receive said funds and hold them subject to release, in accordance with the written instructions of the Commissioner, and the Impoundment Agent shall be under no duty to determine whether the Issuer is complying with requirements of the Commissioner in tendering to the Impoundment Agent said proceeds of the sale of said securities.

The Impoundment Agent may conclusively rely upon and shall be protected in acting upon any statement, certificate, notice, request, consent, order or other document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Impoundment Agent shall have no duty or liability to verify any such statement, certificate, notice, request, consent, order or other document and its sole responsibility shall be to act only as expressly set forth in this Impoundment Agreement. The Impoundment Agent shall be under no obligation to institute or defend any action, suit or proceeding in connection with this Impoundment Agreement unless first indemnified to its satisfaction. The Impoundment Agent may consult counsel in respect of any question arising under this Impoundment Agreement and the Impoundment Agent shall not be liable

for any action taken or omitted in good faith upon advice of such counsel. All funds held by Impoundment Agent pursuant to this Impoundment Agreement shall constitute trust property for the purposes for which they are held and the Impoundment Agent shall not be liable for any interest thereon.

9. IMPOUNDMENT AGENT'S FEE:

The Impoundment Agent shall be entitled to reasonable compensation for its services. The fee agreed upon for services rendered hereunder is intended as full compensation for the Impoundment Agent's services as contemplated by this Agreement; provided, however, in the event that the conditions of this Impoundment Agreement are not fulfilled, or the Impoundment Agent renders any material service not contemplated in this Agreement, or there is any assignment of interest in the subject matter of this Impoundment Agreement, or any material modification hereof, or if any material controversy arises hereunder, or the Impoundment Agent is made a party to or justifiably intervenes in any litigation pertaining to this Impoundment Agreement, or the subject matter hereof, the Impoundment Agent shall be reasonably compensated for such extraordinary services and reimbursed for all costs and expenses, including reasonable attorney's fees, occasioned by any delay, controversy, litigation or event, and the same may be recoverable from the Issuer only.

10. BINDING AGREEMENT AND SUBSTITUTION OF IMPOUNDMENT AGENT:

The terms and conditions of this Agreement shall be binding on the heirs, executors and assigns, creditors or transferees, or successors in interest, whether by operation of law or otherwise, of the parties hereto. If, for any reason, the Impoundment Agent named herein should be unable or unwilling to continue as such Impoundment Agent, then the other parties to this Agreement may substitute, with the consent of the Commissioner, another Impoundment Agent. Any apportionment of the fees provided for in paragraph nine will be subject to agreement of the parties.

11. ISSUANCE OF CERTIFICATES:

Until the terms of this Agreement have been met and the funds hereunder released to the Issuer, the Issuer may not issue any certificates or other evidences of securities, except subscription agreements.

IN WITNESS WHEREOF, the parties hereto have executed this Impoundment Agreement on the date first above written.

Issuer

By_____

Impoundment Agent

By_____
Its _____
(an authorized signature)

Underwriter or Agent

By_____
Its_____
(an authorized signature)

Accepted for filing:

_____
Commissioner of Securities

FORM U-2

UNIFORM CONSENT TO SERVICE OF PROCESS

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, _____(a corporation organized under the laws of the State of _____) (a partnership) (an individual) (other _____) for the purpose of complying with the laws of the State of _____ relating to either the registration or sale of securities, hereby irrevocably appoints _____, and the successors in such office, its attorney in the State of _____upon whom may be served any notice, process or pleading in any action or proceeding against it arising out of or in connection with the sale of securities or out of violation of the aforesaid laws of said State; and the undersigned does hereby consent that any such action or proceeding against it may be commenced in any court of competent jurisdiction and proper venue within said State by service of process upon said officer with the same effect as if the undersigned was organized or created under the laws of said State and had lawfully been served with process in said State.

It is requested that a copy of any notice, process or pleading served hereunder be mailed to:

_____

(Name and Address)

_____

Dated: _____, 19___.

_____

(Seal)

By _____

Title: _____

By _____

Title: _____

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
) SS.
COUNTY OF _____)

On this_____ day of _____, 19___, before me _____, the undersigned officer, personally appeared _____ and _____, known personally to me to be the___ President and _____ Secretary, respectively, of the above named corporation, and that they, as such officers, being authorized so to do, executed the foregoing instrument for the purposes therein contained, be signing the name of the corporation by themselves as such officers.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

_____

(Notarial Seal)

Notary Public
My commission expires: _____

INDIVIDUAL OR PARTNERSHIP ACKNOWLEDGMENT

STATE OF _____)
) SS.
COUNTY OF _____)

On this_____ day of _____, 19___, before me _____, the undersigned officer, personally appeared _____, to me personally known and known to be the same person(s) whose name(s) is(are) signed to the foregoing instrument, and acknowledged the execution thereof for the uses and purposes therein set forth.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

_____

(Notarial Seal)

Notary Public
My commission expires: _____

SEC-37

FORM U-2A

UNIFORM FORM OF

CORPORATE RESOLUTION

OF

_____

(Name of Corporation)

RESOLVED, that it is desirable and in the best interest of this Corporation that its securities be qualified or registered for sale in various states; that the President or any Vice President and the Secretary or an Assistant Secretary hereby are authorized to determine the states in which appropriate action shall be taken to qualify or register for sale all or such part of the securities of this Corporation as said officers may deem advisable; that said officers are hereby authorized to perform on behalf of this Corporation any and all such acts as they may deem necessary or advisable in order to comply with the applicable laws of any such states, and in connection therewith to execute and file all requisite papers and documents, including, but not limited to, applications, reports, surety bonds, irrevocable consents and appointments of attorneys for service of process; and the execution by such officers of any such paper or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor from this Corporation and the approval and ratification by this Corporation of the papers and documents so executed and the action so taken.

CERTIFICATE

The undersigned hereby certifies that he is the _____ Secretary of _____ , _____, a corporation organized and existing under the laws of the State of _____; that the foregoing is a true and correct copy of a resolution duly adopted at a meeting of the Board of Directors of said corporation held on the _____ day of _____, 19___, at which meeting a quorum was at all times present and acting; that the passage of said resolution was in all respects legal; and that said resolution is in full force and effect.

Dated this _____ day of _____, 19___.

(Copporate Seal)

_____

Secretary

SEC-38

STATEMENT OF THE ISSUER

M.S. 80A.15 Subd. 2(h)
$50 FEE REQUIRED

This form is to be prepared and filed pursuant to Minnesota Statutes, 1973, Section 80A.15, Subd. 2(h), and mailed to:

State of Minnesota
Department of Commerce
Securities Division
Fifth Floor
Metro Square Building
Seventh and Robert Streets
St. Paul, Minnesota 55101

1. State the name and address of the issuer, and date and state of organization.

2. If the issuer is a foreign corporation, state the name and address of the agent within Minnesota upon whom service of process may be obtained.

3. State the name, address, telephone and position held by the person to whom inquiries pertaining to information herein or notice of objection by the Commissioner of Securities should be directed.

4. State the nature of the business enterprise or enterprises engaged in by the issuer.

5. State whether the issuer of these securities has, within the past five years, made application to register any of its securities with the Minnesota Securities Division. _____ _____
Yes No

6. State the aggregate dollar amount, number of units, price per unit, and set forth a description of the securities to be sold. Set forth the minimum dollar amount which may be purchased by any individual or corporation.

7. State whether commissions will or will not be paid. If commissions are to be paid, indicate the amount of such commissions in dollar amount and as a percentage of the offering price, and identify the persons to whom they will be paid.

8. State the date on which it is proposed to commence the sale of these securities.

9. State the date by which it is proposed to terminate the offering.

10. The issuer proposes to make sales to not more than _____ persons.

11. With reference to the sales of securities made within a twelve-month period preceding the proposed date of the distribution described herein, state the number of sales, the dollar amount paid, the number of shares issued, and the dates of said sales. If exemption for the sale of said securities is claimed, designate the exemption relied upon with specific reference to Minnesota statutes.

12. The issuer, through its authorized agent whose signature appears below, certifies that:

(a) The information contained in this Statement of Issuer and the Exhibits appended hereto are accurate and complete to the best knowledge and belief of the undersigned.

(b) The issuer represents that it will sell the securities only to buyers who it reasonably believes are purchasing for investment only. In support of this representation, the issuer will require each purchaser to sign a copy of an Investment Letter or other instrument disclosing an investment intent in the form of Exhibit A hereto. The issuer will maintain copies of such letter or instrument in its files and will make the same available to the Securities Division for inspection upon a reasonable request, for a period of three (3) years from the date of the last sale made pursuant to this filing.

The issuer will cause all certificates issued pursuant to this filing to bear the following legend: "The securities represented by this certificate have not been registered under Chapter 80A of the Minnesota Securities Laws and may not be sold, transferred or otherwise disposed of except pursuant to registration, or an exemption therefrom";or will cause to be placed upon each of said certificates language equivalent thereto.

13. Attach the following Exhibits to this form:

Exhibit A - Investment Letter.
Exhibit B - A copy of any offering circular or other offering documents (such as financial or other business information) intended to be distributed to all offerees.
Exhibit C - A description of the present capitalization of the issuer and, (1) if a corporation, the names of all officers and all shareholders owning 5% or more of the outstanding common stock, or: (2) if a limited partnership, the name of the general partner and, if a corporate general partner, the names of its officers and all shareholders owning 5% or more of its outstanding common stock.
Exhibit D - A detailed description of the use to which the proceeds of the offering will be applied.
Exhibit E - If a non-resident, a statement that it consents to service of process in Minnesota and designates an agent for the receipt of such service.
Exhibit F - The opinion of issuer's counsel that the issuer is validly organized and authorized to isse the securities to be sold.

THE ISSUER CONSENTS TO PERMIT INSPECTION OF ITS BOOKS, RECORDS, ACCOUNTS, AND FILES BY THE COMMISSIONER OF SECURITIES OR HIS DESIGNEE WITH REFERENCE TO THE SALE OF SECURITIES DESCRIBED HEREIN, AND AGREES TO PROVIDE THE COMMISSIONER WITH SUCH ADDITIONAL INFORMATION WITH RESPECT TO THE SALE OF THESE SECURITIES AS HE MAY REQUIRE FOR A PERIOD OF THREE YEARS FROM THE DATE OF THE LAST SALE MADE PURSUANT TO THIS FILING. THE ISSUER RECOGNIZES THAT THE COMMISSIONER DOES NOT HEREBY WAIVE HIS STATUTORY AUTHORITY TO REQUIRE THE AFORESAID INFORMATION AT ANY TIME BY SUBPOENA OR OTHERWISE.

The undersigned certifies that he has read the contents of the above form and the Exhibits appended hereto and certifies that he has personal knowledge of the contents hereof and knows the responses set forth are true and accurate.

Dated this _____ day of _____

_____
Issuer

BY ITS

Subscribed and sworn to before me

this _____ day of _____

Minnesota Securities Rules prohibit the use of advertising and other methods of mass communication in the distribution of securities under this exemption.

FORM BD

INSTRUCTION SHEET

UNIFORM APPLICATION FOR REGISTRATION, LICENSE OR MEMBERSHIP AS A BROKER-DEALER OR TO AMEND SUCH APPLICATION UNDER THE SECURITIES EXCHANGE ACT OF 1934, OR UNDER THE LAWS OF THE JURISDICTIONS OR UNDER THE CONSTITUTIONS AND RULES OF THE SELF-REGULATORY ORGANIZATIONS ACCEPTING THIS FORM.

General Instructions for Preparing and Filing Form BD

1. This form is to be used to apply for registration, license, or membership with a number of agencies, jurisdictions, and organizations. A list of these agencies, jurisdictions, and organizations with the respective addresses for filing is included as a separate page. Special Instruction Sheets for each agency, jurisdiction, and organization are also needed to complete the form. They may be obtained from the agency, jurisdiction, or organization to which you are applying and must be read in conjunction with these instructions for each agency, jurisdiction, or organization to which you are applying.

2. All information required by Form BD and any Schedule thereunder must be submitted on the prescribed form, or mechanical reproductions thereof. The execution page must contain an original manual signature of the appropriate duly authorized individual. *Mechanical reproductions of signatures are not acceptable.* All other pages containing correct information may be mechanically reproduced by any method producing clear, legible copies of identical type size. Retain one exact copy for your records. Copies must be on 8½ x 11 inch paper.

   Additional copies of Form BD are available at each of the agencies, jurisdictions, or organizations listed on the address sheet.

3. If Form BD is filed by a sole proprietor, it shall be signed by the proprietor; if it is filed by a partnership, it shall be signed in the name of the partnership by a general partner; if it is filed by an unincorporated organization or association which is not a partnership, it shall be signed in the name of such organization or association by the managing agent — i.e., a duly authorized person who directs or manages or who participates in directing or managing its affairs; if it is filed by a corporation, it shall be signed in the name of the corporation by a principal officer duly authorized.

4. If the space provided for any answer on the form is insufficient, the complete answer shall be prepared on Schedule E which shall be attached to the form. If the space provided for any answer on the Schedules is insufficient, the answer shall be completed on additional copies of the applicable Schedule which shall also be attached to the form.

5. Individuals' names, except for executing signatures, shall be given in full wherever required (last name, first name, middle name). The full middle name is required. Initials are not acceptable unless the individual legally has only an initial. If so, indicate this after the initial.

6. A Form BD which is not prepared and executed in compliance with applicable requirements may be returned as not acceptable for filing. However, acceptance of this form shall not constitute any finding that it has been filed as required or that the information submitted is true, current, or complete.

7. Definitions:

   a. Unless the context or the Special Instruction Sheets for the individual agencies, jurisdictions, or organizations clearly indicate otherwise, all terms used in the form have the same meaning as in the Securities Exchange Act of 1934 and in the General Rules and Regulations of the Securities and Exchange Commission.

   b. Jurisdiction - Unless the context otherwise requires, "jurisdiction" means a state, a territory, the District of Columbia, the Commonwealth of Puerto Rico, or any subdivision or regulatory body thereof.

   c. Applicant - Unless the context otherwise requires, "applicant" means the person filing the Form BD, whether as an initial application or amendment to a previously filed Form BD. "Person" in this context is the broker-dealer or person which will be the broker-dealer and not the individual completing the form unless they are identical. "Applicant" includes a "Registrant."

   d. Self-Regulatory Organization - Unless the context otherwise requires, "self-regulatory organization" means any national securities exchange, national securities association, or clearing agency, registered under the Securities Exchange Act of 1934.

8. The information contained in Form BD is of a continuing nature and must be updated or amended periodically upon the happening of certain events. Consult the Special Instruction Sheets for the agencies, jurisdictions, or organizations with which this form is to be filed.

9. (a) Although the purpose of Form BD is to bring as much uniformity and resultant simplicity to the registration of broker-dealers as possible, some jurisdictions or organizations require information in addition to that required in Form BD and may have supplementary requirements for the completion of the form. Therefore, consult the Special Instruction Sheets for each agency, jurisdiction, or organization with which this form is to be filed.

SEC 1490 (10-75)

9. (b) Some agencies, jurisdictions or organizations require a statement of financial condition to be filed with every application for registration. Consult the Special Instruction Sheets for each agency, jurisdiction, or organization with which this form is to be filed.

Instructions Relating to Filing Form BD as an APPLICATION

10. If Form BD is being filed as an application for registration, all applicable items must be answered in full and all supplemental information for each agency, jurisdiction, or organization with which the form is to be filed must be supplied for that agency, jurisdiction, or organization. If any item is not applicable, indicate by "none" or "N/A" as appropriate.

Instructions Relating to AMENDING Form BD

11. If the information contained in Form BD after it is filed as an application, or in any supplement or amendment thereto, is or becomes inaccurate for any reason, an amendment must be promptly filed at specified times for each agency, jurisdiction or organization. Consult the Special Instruction Sheets for each agency, jurisdiction or organization with which this form is to be filed.

12. Where an item is being amended, only those items which are being amended or which have changed since the previous filing need be filed, except that a completed execution page, manually signed, must be filed with each amendment. WHEN ANY ITEM ON A PAGE IS AMENDED, IT IS NECESSARY TO ANSWER IN FULL ALL OTHER ITEMS ON THE PAGE BEING AMENDED.

Instructions as to SPECIFIC ITEMS on Form BD

13. Item 1 - Indicate the agency, jurisdiction, or organization with which this copy of the execution page is to be filed and whether the form is filed as an application or amendment for that agency, jurisdiction, or organization.

14. Item 2(a) - Include a street address; post office box numbers alone are not acceptable.

15. Execution - The execution must include an original manual signature for each agency, jurisdiction, or organization. *Mechanical reproductions of signatures are not acceptable.*

16. Item 3 - Check all agencies, jurisdictions, or organizations with which you are registered, licensed, or a member, or with which you are currently applying. Indicate each agency, jurisdiction, or organization with the appropriate code number in the space provided. CODE NUMBERS: If currently applying, insert number 1; if application is pending, insert number 2; if already registered, licensed, or a member, insert number 3. Note: This item is to be updated only when page 1 otherwise is filed. Do not update this item alone.

17. Item 6 - State your current legal residence address.

18. Item 8(b) - If a registered partnership is dissolved and a new one is created to continue the business of the old one, the new partnership must file a new or successor application as a broker-dealer.

19. Item 10 - Check your answers to Items 2(a), 8, and 9, and the related Schedules, for the names of all persons who are covered by any of the subsections of Item 10. Similarly, any persons who directly or indirectly control, are controlled by, or are under common control with the applicant, including any employee, are covered by Item 10. For each affirmative answer, list each person involved on a separate Schedule D and give full details of any of these incidents, including, for example, the parties involved, time and place, subject matter, and the outcome of the proceedings.

20. Item 12 - Refer to Schedule D and Instruction 24.

Instructions Relating to SCHEDULES

21. Schedule A - Schedule A is for corporations.

22. Schedule B - Schedule B is for partnerships.

23. Schedule C - Schedule C is to be completed only by organizations or associations which are not sole proprietorships, partnerships, or corporations.

24. Schedule D - Schedule D is to be filed for two classes of persons:

(a) Each natural person named in Items 2(a), 8, or 9 or any Schedule thereunder, except that Schedule D need not be furnished for any person who meets both the following conditions: (1) he owns less than 10% of any class of equity security of the applicant, and (2) he is not an officer, director or person with similar status or functions; and

(b) Each person subject to any action reported under Item 10.

"Person" in (a) includes only natural persons. "Person" in (b) includes corporations, partnerships, and other organizations, as well as natural persons. If the "person" is other than a natural person, complete only Items I, II, and VII of Schedule D. Note: The agencies, jurisdictions, and self-regulatory organizations may require the filing of a separate form (for example, Form U-4) concerning officers, directors, and associated persons. Schedule D is to be filed in addition to and not in lieu of such additional form.

25. Schedule E - Schedule E may be used (1) where the space provided for any answer on the form is insufficient, or (2) in response to each item in the form which requires the submission of Schedule E. Schedule E should not be used where the space on any other Schedule is insufficient. In that case use additional copies of the applicable Schedule.

26. Schedule F - Schedule F is to be completed only if and to the extent required by the Special Instruction Sheets of the jurisdiction(s) to which you are applying. The Special Instruction Sheets will indicate what items are to be completed for each jurisdiction.

27. Key to State Abbreviations

AL - Alabama		MT - Montana	
AK - Alaska		NE - Nebraska	
AZ - Arizona		NV - Nevada	
AR - Arkansas		NH - New Hampshire	
CA - California		NJ - New Jersey	
CO - Colorado		NM - New Mexico	
CT - Connecticut		NY - New York	
DE - Delaware		NC - North Carolina	
DC - District of Columbia		ND - North Dakota	
FL - Florida		OH - Ohio	
GA - Georgia		OK - Oklahoma	
HI - Hawaii		OR - Oregon	
ID - Idaho		PA - Pennsylvania	
IL - Illinois		RI - Rhode Island	
IN - Indiana		SC - South Carolina	
IA - Iowa		SD - South Dakota	
KS - Kansas		TN - Tennessee	
KY - Kentucky		TX - Texas	
LA - Louisiana		UT - Utah	
ME - Maine		VT - Vermont	
MD - Maryland		VA - Virginia	
MA - Massachusetts		WA - Washington	
MI - Michigan		WV - West Virginia	
MN - Minnesota		WI - Wisconsin	
MS - Mississippi		WY - Wyoming	
MO - Missouri		PR - Puerto Rico	

FORM BD
(revised 10-1-75)
EXECUTION PAGE

UNIFORM APPLICATION FOR REGISTRATION, LICENSE, OR MEMBERSHIP AS A BROKER-DEALER OR TO AMEND SUCH AN APPLICATION UNDER THE SECURITIES EXCHANGE ACT OF 1934, OR UNDER THE LAWS OF THE JURISDICTIONS OR UNDER THE CONSTITUTIONS AND RULES OF THE SELF-REGULATORY ORGANIZATIONS ACCEPTING THIS FORM.

OFFICIAL USE

GENERAL: Read all instructions before preparing the form. Read the Special Instruction Sheets for each agency, jurisdiction, or self-regulatory organization with which this form is to be filed. Please print or type all responses. If this form is filed as an amendment, only a completed and signed execution page and those items which are being amended or which have changed since the previous filing need to be filed.

IN COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS OR MEMBERSHIP REQUIREMENTS, THE UNDERSIGNED HEREBY SUBMITS THE FOLLOWING INFORMATION:

1. This form is filed with _____
(NAME OF AGENCY, JURISDICTION OR ORGANIZATION)

as an: ☐ APPLICATION ☐ AMENDMENT

2. (a) Exact name, principal business address, mailing address, if different, and telephone number of applicant:

Full name of applicant *(If sole proprietor, state last, first, and middle name):* IRS Empl. Ident. No.:

Name under which business is conducted, if different:

If name of business is hereby amended, state previous name:

Address of principal place of business:

(NUMBER AND STREET) (CITY) (STATE) (ZIP CODE)

Mailing Address, if different:

Telephone Number:

(AREA CODE) (TELEPHONE NUMBER) WATS LINE *(If any)*

EXECUTION: The undersigned, being first duly sworn, deposes and says that he has executed this form on behalf of, and with the authority of, said applicant. The undersigned and applicant represent that the information and statements contained herein, including exhibits attached hereto and other information filed herewith, all of which are made a part hereof, are current, true, and complete. The undersigned and applicant further represent that to the extent any information previously submitted is not amended, such information is currently accurate and complete.

Dated the _____ day of _____ 19___

_____
(NAME OF APPLICANT)

By: _____
(SIGNATURE AND TITLE)

Attest: _____
(SIGNATURE AND TITLE)

Subscribed and sworn to before me this _____ day of _____ 19___

STATE OF _____
} SS
COUNTY OF _____

NOTARIAL SEAL

_____
(NOTARY PUBLIC) My commission expires:

WARNING: Failure to keep this form current and to file accurate supplementary information on a timely basis, or the failure to keep accurate books and records or otherwise to comply with the provisions of law applying to the conduct of business as a broker-dealer would violate the Federal securities laws and the laws of the jurisdictions and may result in disciplinary, administrative, injunctive or criminal action.
INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS MAY CONSTITUTE CRIMINAL VIOLATIONS.

ALL OF THE ITEMS ON THIS PAGE MUST BE ANSWERED AND COMPLETED IN FULL

DO NOT WRITE BELOW THIS LINE . . . . FOR OFFICIAL USE ONLY

FORM BD Page 1

OFFICIAL USE

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INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS MAY CONSTITUTE CRIMINAL VIOLATIONS.

2. (b) Person to contact for further information concerning this form:

Name: _____ Title: _____

Mailing Address: _____ Telephone No.: _____

(c) Person authorized to receive compliance and information communications, and responsible for disseminating the same within the applicant's organization:

Name: _____ Title: _____

Mailing Address: _____ Telephone No.: _____

3. Applicant is filing or has filed its application for registration, license, or membership as a broker-dealer with the following:

(Place a code number after each applicable agency, jurisdiction, or self-regulatory organization in accordance with the following: If currently applying, insert number "1," if application is pending, insert number "2," if already registered, licensed, or a member, insert number "3."

AL ___	AK ___	AZ ___	AR ___	CA ___	CO ___	CT ___	DE ___	DC ___
FL ___	GA ___	HI ___	ID ___	IL ___	IN ___	IA ___	KS ___	KY ___
LA ___	ME ___	MD ___	MA ___	MI ___	MN ___	MS ___	MO ___	MT ___
NE ___	NV ___	NH ___	NJ ___	NM ___	NY ___	NC ___	ND ___	OH ___
OK ___	OR ___	PA ___	RI ___	SC ___	SD ___	TN ___	TX ___	UT ___
VT ___	VA ___	WA ___	WV ___	WI ___	WY ___	PR ___	Other _____ (Specify)	

SECURITIES AND EXCHANGE COMMISSION ___

NATIONAL ASSOCIATION OF SECURITIES DEALERS ___

AMERICAN STOCK EXCHANGE ___

BOSTON STOCK EXCHANGE ___

CHICAGO BOARD OF TRADE ___

CHICAGO BOARD OPTIONS EXCHANGE ___

CINCINNATI STOCK EXCHANGE ___

DETROIT STOCK EXCHANGE ___

SECO ___

INTERMOUNTAIN STOCK EXCHANGE ___

MIDWEST STOCK EXCHANGE ___

NEW YORK STOCK EXCHANGE ___

PACIFIC STOCK EXCHANGE ___

PBW STOCK EXCHANGE ___

SPOKANE STOCK EXCHANGE ___

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4. Applicant is a:

☐ Corporation ☐ Partnership ☐ Sole Proprietorship

☐ Other (specify): _____

5. If applicant is a corporation:

(a) Date and place of incorporation:

Date: _____ (MONTH-DAY-YEAR) State: _____

(b) List below each class of equity security:

Class	Voting	Non - Voting
_____	☐	☐
_____	☐	☐
_____	☐	☐

6. If applicant is a sole proprietor, state full residence address and social security number.

Social Security No.: _____

_____ (NUMBER AND STREET) _____ (CITY) _____ (STATE) _____ (ZIP CODE)

7. (a) Is applicant a successor to a registered broker-dealer and taking over all or substantially all of the assets and liabilities and continuing the business of a registered broker-dealer? YES ☐ NO ☐

If "yes," state:

(1) Date of Succession: _____

(2) Full name, IRS Empl. Ident. No. and SEC File No. of predecessor:

Name: _____

IRS Empl. Ident. No.: _____

SEC File Number: _____

(b) Has applicant merged with or acquired another registered broker-dealer? YES ☐ NO ☐

(If "yes," describe briefly on Schedule E.)

8. (a) If applicant is a corporation, complete Schedule A.

(b) If applicant is a partnership, complete Schedule B.

(c) If applicant is other than a sole proprietorship, partnership, or corporation, complete Schedule C.

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INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS MAY CONSTITUTE CRIMINAL VIOLATIONS.

9. (a) Does any person not named in Items 2(a) and 8, or any Schedule thereunder, directly or indirectly through agreement or otherwise, exercise or have the power to exercise a controlling influence over the management or policies of applicant? ☐ YES ☐ NO

(If "yes," state on Schedule E the exact name of each person (if individual, state last, first, and middle names) and describe the agreement or other basis through which such person exercises or has the power to exercise a controlling influence.)

(b) Is the business of applicant wholly or partially financed, directly or indirectly, by any person not named in Items 2(a) and 8, or any Schedule thereunder, in any manner other than by: (1) a public offering of securities made pursuant to the Securities Act of 1933; (2) credit extended in the ordinary course of business by suppliers, banks and others; or a satisfactory subordination agreement, as defined in Rule 15c3-1 under the Securities Exchange Act of 1934 (17 CFR 240. 15c3-1)? ☐ YES ☐ NO

(If "yes," state on Schedule E the exact name (last, first, middle) of each person and describe the agreement or arrangement through which such financing is made available, including the amount thereof.)

10. (a) State whether the applicant, any person named in Items 2(a), 8 or 9, or any Schedule thereunder, or any other person directly or indirectly controlling, controlled by, or under common control with applicant, including any employee:

(i) Has been found by the Securities and Exchange Commission or any jurisdiction willfully to have made or caused to be made any statement which was, at the time and in the light of the circumstances under which it was made, false and misleading with respect to any material fact, or to have omitted to state any material fact, which was required to be stated, in any application for registration or report required to be filed under the Federal securities laws or under the securities laws of any jurisdiction, or in any proceeding before the Securities and Exchange Commission or any jurisdiction relating to securities, the conduct of business or registration as a broker, dealer, municipal securities dealer, or investment adviser or associated person thereof. . . . ☐ YES ☐ NO

(ii) Has been convicted within 10 years of any felony or misdemeanor (1) involving the purchase or sale of any security, the taking of a false oath, the making of a false report, bribery, perjury, burglary, or conspiracy to commit any such offense; (2) arising out of the conduct of the business of a broker, dealer, municipal securities dealer, investment adviser, bank, insurance company, or fiduciary; (3) involving the larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion, or misappropriation of funds or securities; or (4) involving the violation of Section 152, 1341, 1342 or 1343 or Chapter 25 or 47 of Title 18, United States Code (concealment of assets, false oaths and claims, or bribery, in any bankruptcy proceeding; mail fraud, fraud by wire, including telephone, telegraph, radio or television; counterfeiting, forgery; fraud, false statements); or has pleaded nolo contendere to any such felony or misdemeanor . . . . . ☐ YES ☐ NO

(iii) Is enjoined permanently, or within the past 10 years has been enjoined temporarily, by order, judgment or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, dealer, or municipal securities dealer, or as an associated person or employee of any of the foregoing, or as an affiliated person or employee of any investment company, bank, or insurance company, or from engaging in or continuing any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security, or arising out of any securities or investment advisory activities . . . . . ☐ YES ☐ NO

(iv) Has been found by the Securities and Exchange Commission or any jurisdiction or any court to have violated or to have aided, abetted, counselled, commanded, induced, or procured the violation by any other person of the Federal laws, or the laws of any jurisdiction, relating to securities or relating to the conduct of business as a broker, dealer, municipal securities dealer, investment adviser, or investment company, any rule or regulation under any of such laws, or any rule of the Municipal Securities Rulemaking Board, or to have failed reasonably to supervise another person who committed such a violation, or to have been unable to comply with any of the foregoing . . ☐ YES ☐ NO

(v) Has been the subject of an order of the Securities and Exchange Commission entered pursuant to paragraph (6) of Section 15(b) or paragraph (4) of Section 15B(c) of the Securities Exchange Act of 1934, or an order of a court or jurisdiction (or any agency thereof), or an order of an appropriate regulatory agency entered pursuant to paragraph (5) of Section 15B(c) of the Securities Exchange Act of 1934, barring or suspending the right of such person to be associated with a broker, dealer, or municipal securities dealer . . . . . ☐ YES ☐ NO

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INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS MAY CONSTITUTE CRIMINAL VIOLATIONS.

10. (a)—Continued

(vi) Has been denied membership or registration with, or participation in, or has been suspended, revoked or expelled from membership, participation in or registration with any self-regulatory organization; or has been suspended or barred from being associated with any member of such self-regulatory organization . . . . . YES ☐ NO ☐

(vii) Has been denied registration (license) with, or suspended, revoked or expelled from registration (license) with the Securities and Exchange Commission or any jurisdiction (or any agency thereof) as a broker, dealer, investment adviser, securities salesman, or municipal securities dealer, or has been barred from being associated with a person engaged in such business . . . . YES ☐ NO ☐

(viii) Has been found to have been a cause of (1) the denial, suspension, or revocation of any person's membership or participation in, or registration with the Securities and Exchange Commission, any jurisdiction (or any agency thereof), or any self-regulatory organization, (2) any bar or suspension of any person from being associated with a broker, dealer, municipal securities dealer, or member of a self-regulatory organization or (3) any expulsion of any person from a self-regulatory organization . . . . . YES ☐ NO ☐

(ix) Has associated with him any person who is known, or in the exercise of reasonable care should be known, to be a person described by Items 10(a) (v), (vi), (vii) or (viii) . . . . . YES ☐ NO ☐

(x) Has willfully made or caused to be made any statement which was, at the time and in the light of the circumstances under which it was made, false and misleading with respect to any material fact, or has omitted to state any material fact, which was required to be stated, in any application for membership or participation in, or to become associated with a member of, a self-regulatory organization, in any report required to be filed with a self-regulatory organization, or in any proceeding before a self-regulatory organization . . . . . YES ☐ NO ☐

(xi) Has been, within the past 10 years, the subject of any cease and desist, desist and refrain, prohibition, or similar order which was issued by the United States or any jurisdiction arising out of the conduct of the business of a broker, dealer, municipal securities dealer, or investment adviser . YES ☐ NO ☐

(xii) Has been associated at any time as an officer, director, general partner, or owner of 10 percentum or more of the voting securities, or has at any time directly or indirectly through agreement or otherwise exercised or had the power to exercise a controlling influence over the management or policies of, a broker, dealer, or municipal securities dealer which has been adjudicated bankrupt, or for which a trustee has been appointed pursuant to the Securities Investor Protection Act of 1970 . . . . . YES ☐ NO ☐

(xiii) Has been the subject of any order, judgment, decree or other sanction of a foreign court, foreign exchange, or foreign governmental or regulatory agency arising out of any securities or investment advisory activities . . . . . YES ☐ NO ☐

(b) For purposes of part (b), the terms the "Act," the "CEA," the "Secretary," the "CEC" and the "CFTC" mean, respectively, the Commodity Exchange Act, as amended, the Commodity Exchange Authority, the Secretary of Agriculture, the Commodity Exchange Commission and the Commodity Futures Trading Commission, and the terms "contract of sale," "commodity," "future delivery," "contract market," "futures commission merchant," "floor broker," "commodity trading adviser," "commodity pool operator" and "national futures association" have the meanings provided in the Act. State whether applicant, any person named in Items 2(a), 8 or 9, or any Schedule thereunder, or any person, directly or indirectly controlling, controlled by, or under common control with applicant, including any employee:

(i) Has been found by the Secretary, the CEA, the CEC, the CFTC, or any jurisdiction to have made or caused to be made any statement which was, at the time and in the light of the circumstances under which it was made, false and misleading with respect to any material fact, or to have omitted to state any material fact, which was required to be stated, in any application for registration or report required to be filed with the CEA, the Secretary, the CEC, the CFTC, or any jurisdiction under the Act or under the commodities laws of any jurisdiction or in any proceeding before the CEA, the Secretary, the CEC, the CFTC, or any jurisdiction . . . . . YES ☐ NO ☐

(ii) Has been convicted within 10 years of any felony or misdemeanor (1) involving the purchase or sale of contracts of sale of a commodity for future delivery; (2) arising out of the conduct of the business of a futures commission merchant, floor broker, commodity trading adviser, commodity pool operator, member of a contract market, or member of a national futures association; (3) involving the larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion, or misappropriation of funds or contracts of sale of a commodity for future delivery; or has pleaded nolo contendere to any such felony or misdemeanor . . . . . YES ☐ NO ☐

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INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS MAY CONSTITUTE CRIMINAL VIOLATIONS.

10. (b)—Continued

(iii) Is enjoined permanently, or within the past ten years has been enjoined temporarily, by order, judgment, or decree of any court of the United States or any jurisdiction from acting as a futures commission merchant, floor broker, commodity trading adviser, commodity pool operator, member of a contract market or member of a national futures association, or as an associated person or employee of any of the foregoing, or from engaging in or continuing any conduct or practice in connection with any such activity or in connection with the purchase or sale of contracts for future delivery of a commodity, or arising out of any commodity trading or commodity advisory activities . . . . . YES ☐ NO ☐

(iv) Has been denied registration (license) with, or suspended, revoked or expelled from registration (license) with the CEA, the Secretary, the CEC, the CFTC, any contract market, any national futures association, or any jurisdiction (or any agency thereof), or has been barred from engaging in business as a futures commission merchant, floor broker, commodity trading adviser, commodity pool operator, member of a contract market or member of a national futures association or from being associated with any person engaged in any such business . . . . . YES ☐ NO ☐

(c) State whether applicant, any person named in Items 2(a), 8 or 9, or any Schedule thereunder, or any other person directly or indirectly controlling, controlled by, or under common control with applicant, including any employee, is presently the subject of any proceedings in which an adverse decision would result in any of the foregoing questions in part (a) or (b) being answered "yes". . . . YES ☐ NO ☐

(If this is an initial application and the answer to any paragraph of Item 10 is "yes," explain on Schedule D. If this is an amended application and any answer has been changed, explain on Schedule E.)

11. Each agency, jurisdiction, or self-regulatory organization in which applicant is or is to be a member or with which applicant is or is to be licensed, or registered or to which application has been made should be listed in Item 3 on page 1. If any license, registration, or membership listed therein is of a restricted nature or has been suspended or terminated, or withdrawn or voluntarily terminated, explain fully on Schedule E.

12. Complete a separate Schedule D for each appropriate person in accordance with the instructions thereon and instruction 24 to this form.

13. Does applicant:

(a) Have any arrangement with any other person, firm or organization under which:

(1) Any of the accounts or records of applicant are kept or maintained by such other person, firm, or organization? . . . . . YES ☐ NO ☐

(2) Such other person, firm or organization (other than a bank or satisfactory control location as defined in paragraph (c) of Rule 15c3-3 under the Securities Exchange Act of 1934, 17 CFR 240. 15c3-3) holds or maintains funds or securities of applicant or of any of its customers? . . . . . YES ☐ NO ☐

(b) Have any arrangement with any other broker or dealer under which applicant refers or introduces customers to such other broker or dealer? . . . . . YES ☐ NO ☐

(If the answer to any question of Item 13 is "yes," furnish as to each such arrangement the full name and principal business address of the other person, firm, or organization, and a summary of each such arrangement on Schedule E.)

14. (a) Does applicant control, is applicant controlled by, or is applicant under common control with, directly or indirectly, any partnership, corporation, or other organization engaged in the securities of investment advisory business? . . . . . YES ☐ NO ☐

(If "yes," state full name and principal business address of such partnership, corporation, or other organization and describe the nature of control on Schedule E)

(b) Is applicant registered (or does applicant have an application pending) as an investment adviser? . . . . . YES ☐ NO ☐

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15. Check types of business engaged in (or to be engaged in, if not yet active) by applicant. Do not check any category which accounts for or is expected to account for less than 10% of annual gross revenue from the securities or investment advisory business.

(a)	Exchange member engaged in exchange commission business	☐
(b)	Exchange member engaged in floor activities	☐
(c)	Broker or dealer making inter-dealer markets in corporate securities over-the-counter	☐
(d)	Broker or dealer retailing corporate securities over-the-counter	☐
(e)	Underwriter or selling group participant (corporate securities other than mutual funds)	☐
(f)	Mutual fund underwriter or sponsor	☐
(g)	Mutual fund retailer	☐
(h)	U.S. government securities dealer	☐
(i)	Municipal securities dealer	☐
(j)	Municipal securities broker	☐
(k)	Broker or dealer selling variable life insurance or annuities	☐
(l)	Solicitor of savings and loan accounts	☐
(m)	Real estate syndicator	☐
(n)	Broker or dealer selling oil and gas interests	☐
(o)	Put and call broker or dealer or option writer	☐
(p)	Broker or dealer selling securities of only one issuer or associated issuers (other than mutual funds)	☐
(q)	Broker or dealer selling securities of non-profit organizations (e.g., churches, hospitals.)	☐
(r)	Investment advisory services	☐
(s)	Broker or dealer selling tax shelters or limited partnerships	☐
(t)	Other *(give details on Schedule E)*	☐

		YES	NO
16. (a)	Does applicant effect transactions in commodity futures, commodities or commodity options as a broker for others or dealer for its own account?	☐	☐
(b)	Does applicant engage in any other non-securities business? *(If "yes," describe each such other business briefly on Schedule E.)*	☐	☐

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Schedule A of FORM BD

FOR CORPORATIONS

(Answers in response to ITEM 8(a) of FORM BD.)

OFFICIAL USE

Date as stated on the execution page of FORM BD accompanying this Schedule

I. Full name of applicant exactly as stated in Item 2(a) of Form BD:

IRS Empl. Ident. No.:

OFFICIAL USE

II. Name under which business is conducted if different:

III. Complete and mark appropriate columns for (a) each officer, director, and person with similar status or functions, and (b) each other person who is, directly or indirectly, the beneficial owner of 1% or more of any class of equity security of applicant unless applicant is the issuer of a security registered pursuant to Section 12 of the Securities Exchange Act of 1934 (or the issuer of a security which is exempted pursuant to Subsections (g) (2) (B) or (g)(2)(G) thereof) in which case each other person who is, directly or indirectly, the beneficial owner of 5% or more of any such registered class of equity security of applicant. Place an asterisk (*) after the names of the persons for whom a change in title, status or stock ownership is being reported. Place a double asterisk (**) after the names of persons which are ADDED to those furnished in the most recent previous filing. Designate percentage of ownership as follows: If none, enter "none," above 0% to less than 1%, enter "A," 1% to less than 5%, enter "B," 5% to less than 10%, enter "C," 10% to less than 25%, enter "D," 25% to less than 50%, enter "E," 50% to less than 75%, enter "F," 75% to 100%, enter "G."

FULL NAME Last	First	Middle	RELATIONSHIP Beginning Date Mo.	Yr.	Title or Status	Official Use Only	Ownership Code	Class of Equity Security	Social Security Number
						01			
						02			
						03			
						04			
						05			
						06			
						07			
						08			
						09			
						10			
						11			
						12			

IV. List below names reported in the most recent previous filing pursuant to this item which are DELETED hereby:

FULL NAME Last	First	Middle	Ending Date Mo.	Yr.	Social Security Number	OFFICIAL USE

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Schedule B of FORM BD

FOR PARTNERSHIPS

(Answers in response to ITEM 8(b) of FORM BD.)

OFFICIAL USE

Date as stated on the execution page of FORM BD accompanying this Schedule:

I. Full name of applicant exactly as stated in Item 2(a) of Form BD:

IRS Empl. Ident. No.:

OFFICIAL USE

II. Name under which business is conducted if different:

III. List all general, limited, and special partners. For each partner, complete and mark appropriate columns below. Place an asterisk (*) after the names of persons for whom a change in title, status, or partnership interest is being reported. Place a double asterisk (**) after the names of persons which are ADDED to those furnished in the most recent previous filing. Designate percentage of capital contribution as follows: If none enter "none," above 0% to less than 1%, enter "A," 1% to less than 5% enter "B," 5% to less than 10%, enter "C," 10% to less than 25%, enter "D," 25% to less than 50%, enter "E," 50% to less than 75%, enter "F," 75% to 100%, enter "G."

FULL NAME Last	First	Middle	Beginning Date Mo.	Yr.	Type of Partner	Official Use Only	Capital Contribution Code	Social Security Number
						01		
						02		
						03		
						04		
						05		
						06		
						07		
						08		
						09		
						10		
						11		

IV. List below names reported in the most recent previous filing pursuant to this Item which are DELETED hereby:

FULL NAME Last	First	Middle	Ending Date Mo.	Yr.	Social Security Number	OFFICIAL USE

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed execution page.

DO NOT WRITE BELOW THIS LINE . . . . OFFICIAL USE ONLY . . .

WARNING: Failure to keep this form current and to file accurate supplementary information on a timely basis, or the failure to keep accurate books and records or otherwise to comply with the provisions of law applying to the conduct of business as a broker-dealer would violate the Federal securities laws and the laws of the jurisdictions and may result in disciplinary, administrative, injunctive or criminal action. INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS MAY CONSTITUTE CRIMINAL VIOLATIONS.

Schedule C of FORM BD

FOR APPLICANTS OTHER THAN SOLE PROPRIETORS, PARTNERSHIPS AND CORPORATIONS

(Answers in response to ITEM 8(c) of FORM BD.)

OFFICIAL USE

I. Full name of applicant exactly as stated in Item 2(a) of Form BD:

IRS Empl. Ident. No.:

Date as stated on the execution page of FORM BD accompanying this Schedule:

II. Name under which business is conducted if different:

III. List below any person, including a trustee, who directs, manages, or participates in directing or managing the affairs of applicant. As to each person listed below, state his title or status and describe the nature of his authority and his beneficial interest in applicant. Place an asterisk (*) beside the names of persons for whom a change in title, status, or interest is being reported. Place a double asterisk (**) after the names of persons which are ADDED to those furnished in the most recent previous filing.

FULL NAME (Last / First / Middle)	Relationship: Beginning Date Mo.	Relationship: Beginning Date Yr.	Relationship: Title or Status	Social Security Number	Description of Authority and Beneficial Interest

IV. List below names reported in the most recent previous filing pursuant to this Item which are DELETED hereby:

FULL NAME (Last / First / Middle)	Ending Date Mo.	Ending Date Yr.	Social Security Number	OFFICIAL USE

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed execution page.

WARNING: Failure to keep this form current and to file accurate supplementary information on a timely basis, or the failure to keep accurate books and records or otherwise to comply with the provisions of law applying to the conduct of business as a broker-dealer would violate the Federal securities laws and the laws of the jurisdictions and may result in disciplinary, administrative, injunctive or criminal action. INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS MAY CONSTITUTE CRIMINAL VIOLATIONS.

Schedule D of FORM BD

(Answers in response to ITEM 12 of FORM BD.)

OFFICIAL USE

NOTE: (a) Complete a separate Schedule D for each natural person named in Items 2(a), 8 or 9, or any Schedule thereunder, except that Schedule D need not be furnished for any person who meets both of the following conditions: (1) he owns less than 10% of any class of equity security of applicant and (2) he is not an officer, director, or person with similar status or functions.

(b) Complete a separate Schedule D for each person subject to any actions reported under Item 10.

(c) State all names in the order of last name, first name, full middle name. If any person legally has only an initial, so indicate after the initial.

Date as stated on the execution page of FORM BD accompanying this Schedule:

I. Full name of applicant exactly as stated in Item 2(a) of Form BD:	IRS Empl. Ident. No.:
II. Full name of person for whom this Schedule is being completed:	IRS Empl. Ident. No. or Soc. Sec. No.:

III. (a) Residence address of person: *(Number and Street, City, State, ZIP Code)*

(b) Date of Birth:	(c) City of Birth:	(d) State or Province:	(e) Country:

IV. NAMES USED: Furnish below a list of all names individual has been known by or has used including maiden name if applicable. If no other names used, state "None."

Last	First	Middle

V. EDUCATION: Furnish below a description of the education for the person named in Item II of this Schedule (include name and location of last high school attended, name and location of any college or university attended, degree received and year it was received.)

VI. BUSINESS BACKGROUND: Furnish below a complete, consecutive statement of all business experience and employment for the past ten years. List the last position first. If none, state "None."

Name of Firm and Address	Kind of Business	Exact Nature of Connection or Employment	Beginning Date		Ending Date	
			Mo.	Yr.	Mo.	Yr.

VII. PROCEEDINGS: If any answer to any paragraph of Item 10 is "Yes" with respect to the person for whom this Schedule is being completed, furnish the following details:

Applicable Part and Question of Item 10	Title or Description of Action	Name and Location of Court, Agency, Jurisdiction or Self-Regulatory Organization	Nature and Date of and Disposition of Proceeding

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed execution page.

WARNING: Failure to keep this form current and to file accurate supplementary information on a timely basis, or the failure to keep accurate books and records or otherwise to comply with the provisions of law applying to the conduct of business as a broker-dealer would violate the Federal securities laws and the laws of the jurisdictions and may result in disciplinary, administrative, injunctive or criminal action.

INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS MAY CONSTITUTE CRIMINAL VIOLATIONS.

Schedule E of FORM BD

(Continuation Sheet)

OFFICIAL USE

Date as stated on the execution page of FORM BD accompanying this Schedule:

(Do not use this Schedule as a continuation sheet for Schedules A, B, C, and D.)

1. Full name of applicant exactly as stated in Item 2(a) of Form BD:

IRS Empl. Ident. No.:

Item of Form (identify)	Answer

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed execution page.

WARNING: Failure to keep this form current and to file accurate supplementary information on a timely basis, or the failure to keep accurate books and records or otherwise to comply with the provisions of law applying to the conduct of business as a broker-dealer would violate the Federal securities laws and the laws of the jurisdictions and may result in disciplinary, administrative, injunctive or criminal action.

INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS MAY CONSTITUTE CRIMINAL VIOLATIONS.

SCHEDULE F OF FORM BD
State Supplemental Information Form
(Do Not File With The Securities and Exchange Commission)

SUPPLEMENTAL STATE INFORMATION FOR THE STATE OF: _____

Full name of applicant exactly as stated in Item 2(a) of Form BD:

IRS Empl. Ident. No.:

Answer the following questions by referring to the Special Instruction Sheet for this state. Supply only the information required therein and indicate as appropriate the information supplied.

	YES	NO
I. Admission of foreign corporation in state of application.		
(a) Has applicant applied for or been admitted to do business in this state?	___	___
(b) If "yes" give		
(1) Date of admission: _____. (Include certificate where required) or		
(2) Date of application: _____.		
(c) Is applicant "in good standing" in its state of incorporation:	___	___
II. Broker-dealer bond.		
(a) Has applicant ever been refused a bond by a surety company?	___	___
(b) Has applicant ever been the subject of a surety bond payment?	___	___
(If "yes," attach explanation)		
III. Financial reports and personnel information. (Check whether applicable.)		
(a) Attached are ___ copies of applicant's latest certified financial statement	___	___
(b) Attached are ___ copies of applicant's latest Joint Regulatory Report or FOCUS Report	___	___
(c) Attached are ___ copies of applicant's latest unaudited financial statement	___	___
(d) Attached are ___ copies of applicant's latest financial statement on the form provided by the state in which application is being made	___	___
(All financial statements must be accompanied by the net capital and net capital to aggregate indebtedness ratio computations as of the same date as those reports.)		
(e) Attached are copies of all currently effective subordination agreements	___	___
(If all are similar in form, attach 1 copy and a schedule showing the name and address of each lender, and the dollar value of the subordinated items on each agreement.)		

	YES	NO
(f) Supply a list of all persons who will engage in the supervision fo salesmen in this state	___	___
(g) Submit a statement of the limitation of liability ...	___	___
(h) Supply a list of all salesmen to be registered or licensed in this state	___	___

(Where an item is checked "yes," attach the required documents.)

IV. Organizational documents and other information:

(a) If applicant is a corporation, attached are:
Articles _____ By-Laws _____ Amendments _____ Certification _____

(b) If applicant is a partnership:
(1) Attached are Partnership Agreement _____ Amendments _____
(2) Partnership Certificate was filed in _____ (State), _____ (County), on _____ (date) under _____ (State) Public Act No. _____, _____ (year).
(3) The effective date of the partnership agreement is _____.

(c) If applicant is a sole proprietor:
(1) Attached is a copy of the assumed name certificate (If not applicable, so state) _____
(2) This certificate was obtained in _____ (state) on _____ (date).

(d) Applicant's fiscal period begins _____ and ends _____.

V. Offices in the state of application:

	Address	Name of Person in Charge
Principal Office:	_____	_____
Branch Offices:	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____

VI. State whether applicant:

	YES	NO
(a) Had a judgment or order entered against him in any civil or administrative proceeding in which fraud was an element other than those previously described in Form BD	___	___
(b) Has presently pending any criminal complaint or indictment against him	___	___

YES NO

(c) Has any unsatisfied judgments outstanding, including against any officer, director, or partner ..... ___ ___
(If "yes," attach explanation.)

VII. Filing fee in the amount of $ _____ is attached.

If any item on these pages is amended, you must answer in full all other items on these pages and file with a completed and signed execution page.

Form U-4

Uniform Application for Securities and Commodities Industry Representative and/or Agent

GENERAL INSTRUCTIONS FOR PREPARING AND FILING FORM U-4

1. This form is to be used to apply for registration, licensing, or for certain types of financial participation in broker/dealer firms. It is accepted by a number of agencies, jurisdictions, and/or organizations.

2. All information must be typed or neatly printed in BLACK INK.

3. In examining the form, you will note that there are two sets of boxes. The larger elongated boxes should be left blank.

4. Part of the questions to be answered, pages 1, 2 and 4 require a statement of applicant's name and/or signature. On page three the applicant's name must be specifically typed and signed at the bottom of the page.

5. All questions on the form must be answered unless specifically directed otherwise by a receiving organization. Failure to do so will cause the agency, jurisdiction or organization to which the form is filed to return it unprocessed and thus delay registration and increase cost.

6. All attachments must be submitted in the same format as the questions to which response is made, and should be typewritten on 8½ by 11 bond paper.

7. For the purposes of this form, the term jurisdiction means a state, a territory, the District of Columbia, the Commonwealth of Puerto Rico, or a province of the Dominion of Canada.

8. The purpose of Form U-4 is to bring uniformity and resultant simplicity to the registration and licensing of principals, representatives and/or agents. Therefore, it is essential that each applicant consult the following instructions before completing questions 13-55.

All information required by Form U-4 must be submitted on the officially prescribed form, or mechanical reproduction thereof. All pages containing this information may be mechanically reproduced by any method producing clear, legible copies of identical type size. *All required signatures must be originals; mechanical reproductions of signatures will not be accepted.*

Instructions for Completing Uniform Application for Securities and Commodities Industry Representative and/or Agent (Form U-4)

Questions #1 – 12 MUST BE COMPLETED BY THE EMPLOYER

Questions #1 & 2:
Fill in applicant's full legal name (indicate Mr. or Ms.) and social security number.

Question #3:
Give date applicant first started employment with your firm.

Question #4:
Give the firm's computerized NASD identification number (if known and applicable).

Questions #5 & 6:
Give complete name of your organization and the address of the firm's main office. (Including zip code)

Question #7:
Give address of the office in which applicant will be employed.

Question #8:
Identify city of NASD district office having jurisdiction over the applicant's office of employment (does not apply to non-NASD member organizations).

Question #9:
Check whether applicant will be registered with: 1) the NASD, or 2) SECO. Also, check all applicable boxes which correctly indicate the registered national securities or commodities exchange(s) with which applicant will be registered.

Question #10:
Check all appropriate boxes to indicate the states with which applicant will be registered/licensed.

Question #11:
Since the applicant could be classified in more than one category, be certain to check all applicable boxes including whether employment is full or part-time (e.g., the applicant could be applying as a registered representative, vice president and non-voting stockholder). Consult the appropriate exchange, association and/or jurisdiction rules and statutes. For NASD purposes, a non-OSJ branch office manager should check the appropriate box under standard registration as well as "branch office manager" under intermediate registration. If the position applied for does not appear, check the box marked other and specify position.

Question #12:
State what measures your organization has taken to verify applicant's employment background spanning the last three years.
A registered principal must sign and date the application. Please also type or print the principal's name.

THE REMAINDER OF THE FORM MUST BE COMPLETED BY THE APPLICANT

PERSONAL HISTORY

Question #13:
Give FULL legal name including maiden name, if applicable. DO NOT use nicknames, former names or aliases.

Question #14:
If federal law does not require you to have a social security record, such as foreign nationals working in foreign offices, write "Not Applicable – Foreign National."

Questions #15 & 16:
This should be your CURRENT legal address. If you expect to move within three months from the date on which the application is submitted and know the new address, give the new address on a separate attachment or notify the regulatory body or bodies with which you are registering immediately after the new address is known.

Question #17:
Give full date: month, day, year.

Question #18:
Give city and state. If born outside the U.S., give city and country.

Question #19:
Check appropriate box.

Question #20:
Give current marital status: single, married, divorced, separated or widowed.

Question #21:
Include any names by which you are or have been known, other than your current legal name. This would include any nicknames by which you have been known since adulthood.

Question #22:
Give either FULL name of husband or FULL name of wife including her maiden name. Do not use nicknames or aliases.

Questions #23 & 24:
Give FULL maiden name of mother and FULL name of father. Do not use nicknames or aliases.

Question #25:
Give a complete list of schools attended, dates of attendance, major courses taken, day or evening classes (or both), type of degree awarded (if applicable). Do not list pre-high school education, unless it was the last school attended. Answers must be precise, accurate and complete if costly delay in processing is to be avoided.

Question #26:
Show all employment, self-employment and military service to the last ten years. Be certain to include accurate dates, the full names and addresses of all previous employers. Answers must be precise, accurate and complete if costly delay in processing is to be avoided.

NOTE:
1. ALL TIME MUST BE ACCOUNTED FOR – even periods of unemployment.
2. DO NOT list a school in the employment section unless you were employed by that school. (Not required for NASD purposes.)
3. List all part-time employments that were in the securities industry.
4. If you were unemployed for SIX months or more at a time, submit three letters of reference from persons not related to you verifying this unemployment. (Not required for NASD purposes.)
5. If you were self-employed, submit three letters of reference, preferably from persons with whom you did business, verifying the trade name of your business and stating that your business was honestly conducted, the type of business, and the dates you were associated with it. (Not required for NASD purposes.)
6. Extended vacations (more than one month) are treated as periods of unemployment and must be listed on the application.
7. If you worked for a company that you know has since gone out of business, submit three letters from persons unrelated to you who knew you during this period of time attesting that you worked for the company during the period indicated. (Copies of W-2 forms are also acceptable if the letters cannot be obtained.) (Not required for NASD purposes.)
8. If you worked for a company that has moved or merged or is a subsidiary of another company, furnish the new address or the name and address of the company where the employment records are kept.
9. Attach Form DD-214 (separation papers) if you have served in the Armed Forces. (Not required for NASD purposes.)

Question #27:
List all home addresses for the last 10 years starting with your present address. Please do not give post office boxes.

Question #28:
If you have never had a brokerage account, indicate "None" on the application.
If you had or have an account, list the name of the firm or bank; the account number; the type of account (cash or margin); the status (open or closed); and give the approximate dates.

Question #29:
Read this statement carefully before signing.

THE TEN YEAR LIMIT DOES NOT APPLY TO QUESTIONS 30 THROUGH 55. IF THE ANSWER TO ANY OF THE QUESTIONS ARE "YES", ATTACH COMPLETE DETAILS WHERE ADDITIONAL SPACE IS NEEDED.

Question #30:
Furnish the requested details if answer to either Questions 30.A, B, C, or D is "Yes".

Question #31:
List all state and federal agencies (SEC, Department of Agriculture, etc.) with whom you were registered or licensed to deal in securities or commodities and the dates of registration. State whether the registration(s) or license(s) are currently in effect. List all employers with whom you were associated during these periods unless they have been indicated in question 26. So state this if they have.

Question #32:
The following information should be furnished:

1. The full name and address of the business,
2. the nature of the business,
3. your title or position,
4. a brief description of your duties,
5. the amount of time you devote to the business,
6. whether it is during securities trading business hours or not, and
7. the amount of compensation you receive.

Question #33:
Indicate complete name(s) of investment club(s), partnership(s), hedge fund(s) or joint account(s) and nature of investment(s).

Attach a copy of the Partnership Agreement or Articles of Incorporation, if one exists. If one does not exist, so state this.

Questions #34 & 35:
State whether your insurance or real estate license is active or inactive. If you will use your license on behalf of the organization with which you are applying for registration, please so indicate.

Question #36:
Give the name of the bonding company under which you are covered and the amount of your coverage. This information can be obtained from your employer.

Questions #37 & 38:
If your response to either #37 or 38 is "Yes", give name and address of bonding company and when and why they refused the bond or paid out funds in your behalf.

Question #39:
Read this question carefully, as it is often answered incorrectly. For the purposes of this question, "Member" means anyone who owns a seat on an exchange, or was admitted as an associate member of an exchange. If answer is "Yes", list the exchange with which you were a member, along with the corresponding dates of such membership.

Question #40:
If you were with a firm when it went into liquidation, indicate the name of the firm, your exact capacity with the firm, the circumstances leading to its liquidation, and whether liquidation was conducted by the Securities Investor Protection Corporation or through any other means.

Questions #41 – 49 Disciplinary Action:
For each question answered "Yes", supply the following information:

1. Who was involved.
2. When it happened.
3. What the circumstances were, in your own words.
4. What the final determination was, if any.
5. A copy of the proceeding, if available.

Question #50:
If "Yes", be specific. Any customer complaints or legal proceedings must be listed, whether resolved or pending at the present time. A major complaint includes any written complaint which involves any: 1) claim of actual damages in excess of $10,000; or 2) claim for damages which is settled for an amount exceeding $2,500; or 3) allegations of theft of funds or securities, or of forgery of documents or similar dishonesty. If you were terminated by an employer for this reason or had your business connection severed in any way, be sure to supply all details. These should include firm name, approximate date, name of customer filing the complaint, a brief description of the complaint, and what action, if any, was taken.

Question #51:
If answered "Yes", explain in your own words the circumstances which led to the bankruptcy. If the bankruptcy has been discharged, furnish a copy of the court Discharge of Bankruptcy; if the bankruptcy has not been discharged, provide the following:

1. A list of all creditors. (Not required for NASD purposes.)
2. Three or more letters from the major creditors stating that to the best of their knowledge they felt that the bankruptcy was due to mismanagement or economic conditions and was legitimate rather than due to fraud, nor was it any reflection on the individual's personal integrity. (Not required for NASD purposes).
3. A letter from your lawyer stating the same. (Not required for NASD purposes).
4. A letter, if possible, from the court or court appointed Referee or Trustee in bankruptcy stating the same. (Not required for NASD purposes).

Questions #52 – 55 Criminal and Litigation:
Give a complete explanation of the circumstances in your own words, including the final determination if one has been rendered. Include specific details such as dates, city, state, court and docket number.

Questions #53 & 54:
Give complete details such as dates, city, state, court, docket number and the name of the firm involved. Be sure to supply an explanation of what occurred in your own words as well as the final outcome if you know it.

Question #55:
Give complete details including dates, city, state, court, docket number and an explanation of the circumstances in your own words. Attach a copy of the judgment if available.

INDEX FOR ADDENDA TO FORM U-4

	REGISTERED REPRESENTATIVE	ALLIED MEMBER	FINANCIAL PARTICIPANT	BRANCH MANAGER & OFFICER	MEMBERSHIP
STATES	A	A	A	A	—
AMERICAN STOCK EXCHANGE, INC.	B-1	B-2	B-3	B-1	—
BOSTON STOCK EXCHANGE	C	—	—	—	—
CINCINNATI STOCK EXCHANGE	D-1	D-1 & 2	D-1 & 2	D-1	—
DETROIT STOCK EXCHANGE	—	—	—	—	E
MIDWEST STOCK EXCHANGE, INC.	F-1	F-1 & 3	F-1 & 2	F-1 OR F-4	—
NEW YORK STOCK EXCHANGE, INC.	G-1	G-3 & 4 & 5	G-2 & 3	G-1	G-2&3&4&5&6&7
PACIFIC COAST STOCK EXCHANGE	—	H	H	—	H

STATE INFORMATION

State	Abbr.	Registration Fee	Photograph	Fingerprints	Bond	Letters of Reference	Physical Description
ALABAMA	AL.	$20.00	NO	NO	NO	NO	NO
ALASKA	AK.	$75.00	YES	YES	NO	YES	NO
ARIZONA	AZ.	$ 5.00	NO	YES	NO	YES	YES
ARKANSAS	AR.	$25.00	YES	YES	YES	YES	NO
CALIFORNIA	CA.	$50.00	NO	YES	NO	NO	NO
COLORADO	CO.	$20.00	YES	YES	NO	NO	YES
CONNECTICUT	CT.	$20.00	YES	NO	NO	NO	NO
DELAWARE	DE.	$10.00	NO	NO	NO	NO	NO
DISTRICT OF COLUMBIA	D.C.	$12.50	NO	YES	NO	NO	YES
FLORIDA	FL.	$20.00	YES	YES	NO	NO	YES
GEORGIA	GA.	$50.00	YES	NO	YES	NO	NO
HAWAII	HI.	$ 5.00	NO	NO	NO	NO	NO
IDAHO	ID.	$20.00	YES	YES	NO	YES	NO
ILLINOIS	IL.	$10.00	NO	NO	NO	NO	NO
INDIANA	IN.	$10.00	NO	NO	NO	YES	NO
IOWA	IA.	$10.00	NO	NO	NO	YES	YES
KANSAS	KS.	$15.00	NO	YES	YES	NO	NO
KENTUCKY	KY.	$15.00	YES	NO	NO	NO	YES
LOUISIANA	LA.	$20.00	NO	YES	NO	YES	NO
MAINE	ME.	$10.00	YES	NO	NO	YES	YES
MARYLAND	MD.	$15.00	NO	NO	NO	NO	NO
MASSACHUSETTS	MA.	$20.00	YES	NO	NO	NO	NO
MICHIGAN	MI.	$10.00	YES	YES	NO	NO	NO
MINNESOTA	MN.	$50.00	NO	NO	YES	NO	NO
MISSISSIPPI	MS.	$10.00	YES	NO	NO	YES	YES
MISSOURI	MO.	$10.00	YES	NO	YES	YES	NO
MONTANA	MT.	$10.00	YES	NO	YES	YES	YES
NEBRASKA	NB.	$15.00	NO	NO	NO	YES	NO
NEVADA	NV.	$25.00	NO	NO	NO	NO	NO
NEW HAMPSHIRE	NH.	$50.00	YES	NO	NO	NO	YES
NEW JERSEY	N.J.	$30.00	YES	YES	NO	NO	YES
NEW MEXICO	N.M.	$10.00	YES	NO	YES	YES	NO
NEW YORK	N.Y.	$10.00	YES	YES	YES	NO	YES
NORTH CAROLINA	N.C.	$10.00	YES	NO	YES	YES	YES
NORTH DAKOTA	N.D.	$12.50	NO	NO	NO	YES	YES
OHIO	OH.	$15.00	YES	YES	NO	YES	NO
OKLAHOMA	OK.	$10.00	YES	NO	YES	NO	YES
OREGON	OR.	$10.00	NO	NO	YES	NO	NO
PENNSYLVANIA	PA.	$50.00	YES	NO	NO	NO	YES
RHODE ISLAND	R.I.	$10.00	NO	NO	NO	YES	NO
SOUTH CAROLINA	S.C.	$10.00	YES	NO	YES	NO	YES
SOUTH DAKOTA	S.D.	$15.00	YES	NO	YES	YES	YES
TENNESSEE	TN.	$10.00	YES	NO	NO	NO	YES
TEXAS	TX.	$15.00	YES	NO	NO	NO	YES
UTAH	UT.	$25.00	YES	NO	NO	YES	NO
VERMONT	VT.	$15.00	YES	NO	NO	YES	NO
VIRGINIA	VA.	$10.00	NO	NO	NO	YES	NO
WASHINGTON	WA.	$25.00	YES	NO	NO	NO	NO
WEST VIRGINIA	W.V.	$15.00	YES	NO	NO	YES	NO
WISCONSIN	WI.	$20.00	NO	NO	NO	YES	NO
WYOMING	WY.	$10.00	NO	NO	NO	YES	NO
PUERTO RICO	PR.	$ 5.00	YES	NO	YES	YES	NO

UNIFORM APPLICATION FOR SECURITIES AND COMMODITIES INDUSTRY REPRESENTATIVE and/or AGENT

1. APPLICANT'S NAME Mr. Ms. _____ (LAST) (FIRST) (MIDDLE (IF NONE, SO SPECIFY))

2. ☐☐☐-☐☐-☐☐☐☐ ☐ SOCIAL SECURITY NUMBER

3. DATE OF EMPLOYMENT _____ ☐

4. NASD FIRM NUMBER ☐☐☐☐☐ ☐

5. FIRM NAME _____ ☐

6. FIRM ADDRESS _____

7. OFFICE OF EMPLOYMENT OF APPLICANT _____ ☐

8. NASD DISTRICT IN WHICH BRANCH IS LOCATED _____ ☐

9. TO BE REGISTERED WITH THE FOLLOWING: *(Check All Applicable)*

NATIONAL ASSOCIATION OF SECURITIES DEALERS (NASD) ☐ ☐

SECURITIES AND EXCHANGE COMMISSION ONLY (SECO) ☐ ☐

American Stock Exchange	☐ ☐	Cincinnati Stock Exchange	☐ ☐	New York Stock Exchange	☐ ☐
Boston Stock Exchange	☐ ☐	Detroit Stock Exchange	☐ ☐	Pacific Stock Exchange	☐ ☐
Chicago Board of Trade	☐ ☐	Intermountain Stock Exchange	☐ ☐	PBW Stock Exchange	☐ ☐
Chicago Board Options Exchange	☐ ☐	Midwest Stock Exchange	☐ ☐	Spokane Stock Exchange	☐ ☐
Chicago Mercantile Exchange	☐ ☐	National Stock Exchange	☐ ☐	Other (Specify)	☐ ☐

10. TO BE REGISTERED WITH THE FOLLOWING STATE SECURITIES AGENCIES: *(Check All Applicable)*

AL ☐ ☐	DE ☐ ☐	IN ☐ ☐	MA ☐ ☐	NV ☐ ☐	ND ☐ ☐	SC ☐ ☐	VA ☐ ☐
AK ☐ ☐	DC ☐ ☐	IA ☐ ☐	MI ☐ ☐	NH ☐ ☐	OH ☐ ☐	SD ☐ ☐	WA ☐ ☐
AZ ☐ ☐	FL ☐ ☐	KS ☐ ☐	MN ☐ ☐	NJ ☐ ☐	OK ☐ ☐	TN ☐ ☐	WV ☐ ☐
AR ☐ ☐	GA ☐ ☐	KY ☐ ☐	MS ☐ ☐	NM ☐ ☐	OR ☐ ☐	TX ☐ ☐	WI ☐ ☐
CA ☐ ☐	HI ☐ ☐	LA ☐ ☐	MO ☐ ☐	NY ☐ ☐	PA ☐ ☐	UT ☐ ☐	WY ☐ ☐
CO ☐ ☐	ID ☐ ☐	ME ☐ ☐	MT ☐ ☐	NC ☐ ☐	RI ☐ ☐	VT ☐ ☐	PR ☐ ☐
CT ☐ ☐	IL ☐ ☐	MD ☐ ☐	NB ☐ ☐				

11. TYPE OF APPROVAL REQUESTED:

STANDARD REGISTRATION (Registered Representative)

FULL REGISTRATION/GENERAL SECURITIES	☐ ☐
LIMITED REGISTRATION	☐ ☐
REGISTERED COMMODITY REPRESENTATIVE	☐ ☐
AGENT OF ISSUER	☐ ☐
INVESTMENT CO. PRODUCTS/VARIABLE CONTRACTS	☐ ☐
TRADER	☐ ☐
REAL ESTATE SECURITIES	☐ ☐
DIRECT PARTICIPATION PROGRAMS	☐ ☐
OTHER (Specify)_____	☐ ☐
PART TIME (NASD and SECO)	☐ ☐
FULL TIME (NASD)	☐ ☐

INTERMEDIATE REGISTRATION

BRANCH OFFICE MANAGER	☐ ☐
SUPERVISORY ANALYST	☐ ☐
OFFICER (Title) _____	☐ ☐
OTHER (Specify) _____	☐ ☐

PRINCIPAL REGISTRATION

MEMBER (EXCHANGE)	☐ ☐
REGULAR _____	☐ ☐
ASSOCIATE _____	☐ ☐
ALLIED MEMBER (EXCHANGE) _____	☐ ☐
APPROVED PERSON (EXCHANGE) _____	☐ ☐
SOLE PROPRIETOR	☐ ☐
FINANCIAL PRINCIPAL	☐ ☐
DIRECTOR	☐ ☐
MANAGER OFFICE OF SUPV. JURISDICTION	☐ ☐
GENERAL PARTNER	☐ ☐
LIMITED PARTNER	☐ ☐
OFFICER (Title) _____	☐ ☐
HOLDER OF VOTING STOCK	☐ ☐
HOLDER OF NON-VOTING STOCK	☐ ☐
SUBORDINATED LENDER	☐ ☐
HOLDER OF DEBENTURES	☐ ☐
REGISTERED OPTIONS PRINCIPAL	☐ ☐
UNDERWRITING	☐ ☐
MUTUAL FUNDS	☐ ☐
OPERATIONS	☐ ☐
OTHER (Specify) _____	☐ ☐

12. To the best of my knowledge and belief the applicant at the time of approval will be familiar with the statute(s), constitution(s) and rules of the regulatory body or bodies with whom this application is being filed, and the rules governing registered persons, and will be fully qualified for the position for which application is being made herein. I agree that notwithstanding the approval of such regulatory body or bodies, which hereby is requested, I will not employ the applicant in the capacity stated herein without first receiving the approval of any authority which may be required by law. Also, the acts of this employee in the course of his employment or what might reasonably appear to be in the course of his employment in connection with the offer or sale of any security or commodity shall be considered as our acts; and bind us for any fraudulent misrepresentation or omission in connection with the offer or sale of any security or commodity. This organization has communicated with all the previous employers of the applicant during the past three years, as set forth below:

EMPLOYER	NAME AND POSITION OF PERSON CONTACTED	EMPLOYED FROM/TO	CONTACTED BY PHONE, LETTER OR INTERVIEW

In addition, I have taken appropriate steps to verify the statements contained in this application and to inquire into the past record and reputation of the applicant.

_____ (DATE) _____ (PRINT NAME OF REGISTERED PRINCIPAL) _____ (SIGNATURE OF REGISTERED PRINCIPAL)

DO NOT WRITE IN THIS SPACE

EXPERIENCE _____ CLEARANCE _____

FURTHER TRAINING REQUIRED _____ EXAM TAKEN: DATE _____

EXAM REQUIRED _____ GRADE _____

ISSUE _____ DATE APPROVED: COND. _____

EXAM GRADE OK _____ FINAL _____

PERSONAL HISTORY

13. Mr. / Ms. ____ (LAST NAME, FIRST, MIDDLE, MAIDEN NAME IF APPLICABLE) ____ 14. ____ SOCIAL SECURITY NUMBER ____

15. ADDRESS ____ 16. CITY ____ STATE ____ ZIP ____

17. DATE OF BIRTH ____ / ____ / ____ 18. PLACE OF BIRTH ____ 19. CITIZEN OF U.S.? YES ☐ NO ☐ ____

20. MARITAL STATUS ____ 21. ALIAS (IF NONE, INDICATE) ____ 22. IF MARRIED, FULL NAME OF SPOUSE AND MAIDEN NAME (IF APPLICABLE) ____

23. MOTHER'S FULL MAIDEN NAME ____ 24. FATHER'S FULL NAME ____

IF MORE SPACE IS NEEDED FOR ANY OF THE FOLLOWING QUESTIONS, ATTACH A SEPARATE SHEET IN DUPLICATE

25. EDUCATION

Educational Institutions Attended: HIGH SCHOOL ☐ ____ COLLEGE ☐ ____ GRADUATE SCHOOL ☐ ____

Specify Highest Year Completed: 9☐ 10☐ 11☐ 12☐ 1☐ 2☐ 3☐ 4☐ 1☐ 2☐ 3☐ 4☐

NAME AND ADDRESS OF INSTITUTION (STREET, CITY, STATE, ZIP CODE)	FROM MO. YR.	TO MO. YR.	COURSE	DAY OR EVENING	DID YOU GRADUATE	DEGREE	
	/	/					
	/	/					
	/	/					
	/	/					

26. EMPLOYMENT HISTORY

The following is a complete, consecutive statement of my business history for the past ten years starting with my current position. All time must be accounted for including self-employment, unemployment, part-time securities, commodities, insurance and real estate industries or related positions and all military service.

NAME OF EMPLOYER AND COMPLETE ADDRESS (STREET, CITY, STATE, ZIP CODE)	FROM MO. YR.	TO MO. YR.	POSITION HELD	REASON FOR LEAVING	FULL OR PART-TIME	
	/	/				
	/	/				
	/	/				
	/	/				
	/	/				
	/	/				
	/	/				
	/	/				
	/	/				

27. RESIDENTIAL HISTORY. (Give all home addresses starting with present address for the past 10 years.)

ADDRESS (Street, City, State, Zip Code)	FROM MO. YR.	TO MO. YR.	
	/	/	
	/	/	
	/	/	
	/	/	

28. The following is a complete list of all brokers, dealers or banks with which I am carrying accounts in securities or commodities or with which I have carried such during the past ten years. If "none", so state. ____

NAME AND ADDRESS OF FIRM OR BANK	ACCOUNT NUMBER	CASH OR MARGIN	FROM/TO	OPEN OR CLOSED	
			/		
			/		
			/		

I authorize and request any and all of my former employers and any other person to furnish to the regulatory body or bodies with which this application is being filed, or any agent acting on its behalf, any information they may have concerning my credit worthiness, character, ability, business activities, educational background, general reputation, together with, in the case of former employers, a history of my employment by them and the reasons for the termination thereof. Moreover, I hereby release each such employer and each such other person from any and all liability of whatever nature by reason of furnishing such information to the regulatory body or bodies or any agent acting on its behalf.

Further, I recognize that I may be the subject of an investigative consumer report ordered by the regulatory body or bodies with which this application is being filed, and that I have the right to request complete and accurate disclosure by such regulatory body or bodies of the nature and scope of the investigation requested.

DATE ____ 29. SIGNATURE OF APPLICANT ____

THE TEN YEAR LIMIT DOES NOT APPLY TO QUESTIONS 30 THROUGH 55.

30. A. Have you ever taken and passed a qualifying examination for registration in any capacity with the NASD, a national securities or commodities exchange or SECO? If yes, state below the type of examination, the approximate date taken and with what regulatory body application was made. ..... Yes___ No___ ☐

TYPE OF EXAM _____ APPROXIMATE DATE TAKEN _____ REGULATORY BODY _____

B. Have you ever been granted a waiver of a qualifying examination with the NASD, a national securities or commodities exchange or SECO? If yes, state below the type of examination, the approximate date and by what regulatory body. ..... Yes___ No___ ☐

TYPE OF EXAM _____ APPROXIMATE DATE _____ REGULATORY BODY _____

C. Have you ever taken a qualifying examination for any state? If yes, state below the type of examination, the approximate date taken and the name of the state administering it. ..... Yes___ No___ ☐

TYPE OF EXAM _____ APPROXIMATE DATE TAKEN _____ REGULATORY BODY _____

D. Have you ever been exempted or excluded from taking a qualifying examination by any state? If yes, state below the type of examination, the approximate date and the name of the state issuing the exemption or exclusion. ..... Yes___ No___ ☐

TYPE OF EXAM _____ APPROXIMATE DATE _____ REGULATORY BODY _____

IF THE ANSWER TO ANY OF THE FOLLOWING QUESTIONS IS YES, ATTACH COMPLETE DETAILS:

31. Have you ever been registered or licensed to sell or to deal in securities or commodities as a principal or employee with any registered broker-dealer or to function as an investment adviser by any federal or state agency? If yes, specify the name of the broker-dealer or investment adviser, dates registered and the body or agency with which you were registered. ..... Yes___ No___ ☐

32. Are you currently engaged in any other business either as a proprietor, partner, officer, director, trustee, employee or otherwise? ..... Yes___ No___ ☐

33. Do you or any member of your immediate family have any beneficial interest in any investment partnership or corporation (including Hedge Funds, investment clubs, etc.) or any other domestic or foreign accounts which they have had, whose primary function is investing in securities or commodities? ..... Yes___ No___ ☐

34. Are you now or have you ever been licensed to sell insurance? ..... Yes___ No___ ☐

Type of License(s) and State(s) where licensed _____

35. Are you now or have you ever been licensed to sell real estate? ..... Yes___ No___ ☐

Type of License(s) and State(s) where licensed _____

36. Are you currently bonded? (If yes, specify bonding company and amount.) ..... Yes___ No___ ☐

_____

37. Have you ever been refused a fidelity bond? ..... Yes___ No___ ☐

38. Has any surety company paid out any funds on your coverage or cancelled your bond? ..... Yes___ No___ ☐

39. Are you now or have you ever been a regular or associate member of any stock exchange or commodity exchange? ..... Yes___ No___ ☐

40. Have you ever been an officer, director, general partner, owner of ten (10) percentum or more of the voting securities, or controlling person of, or otherwise engaged in any other managerial or supervisory capacity, or during the time of such affiliation with any broker or dealer, for whom a trustee has been appointed pursuant to the provisions of the Securities Investors Protection Act of 1970 or that has been liquidated under any other circumstances? ..... Yes___ No___ ☐

41. To your knowledge, are you now or have you ever been the subject of any investigation or proceeding by any governmental or self-regulatory securities, commodities, or insurance body or agency? ..... Yes___ No___ ☐

42. Are you now or have you ever been a defendant in any litigation alleging the violation of any agreement with or provision of a securities or commodities industry self-regulatory body's constitution, by-laws or rules, or any securities, commodities or insurance law or regulation? ..... Yes___ No___ ☐

43. Are you now or have you ever been a director, controlling stockholder, partner, officer, sole proprietor, or an associated person with a broker-dealer or insurer which during the time of such association was suspended, expelled, or had its registration denied or revoked by any jurisdiction and/or organization? ..... Yes___ No___ ☐

44. Are you now or have you ever been subject to an order of the NASD, a securities or commodities exchange, the SEC or any state which revokes, suspends or denies membership or registration? ..... Yes___ No___ ☐

45. Are you now or have you ever been named as an aider, abettor, or a co-conspirator or cause in any action mentioned in questions 40, 41, 42, 43 and 44 taken with respect to a broker-dealer or insurer? ..... Yes___ No___ ☐

46. Are you now or have you ever been enjoined, temporarily or otherwise, from selling or dealing in securities, commodities or insurance or from functioning as an investment advisor? ..... Yes___ No___ ☐

47. Are you now or have you ever been, whether or not this was publicly disclosed, suspended, expelled, fined, barred, censured or otherwise disciplined by any regulatory body, or by any securities or commodities exchange or association; or been refused membership therein or ever withdrawn your application for such membership; or ever been refused a license to sell insurance or had one suspended or revoked for cause by any state or federal agency? ..... Yes___ No___ ☐

_____ DATE

_____ SIGNATURE OF APPLICANT

48. Are you now or have you ever been suspended, expelled, fined, barred, censured or otherwise disciplined by any employer in the securities, commodities or insurance industry? ..... Yes___ No___ ☐

49. Have you ever had denied, suspended or revoked a license, permit, certificate, registration or membership required to engage in securities, commodities, insurance or other business or profession? ..... Yes___ No___ ☐

50. In your previous business connections or employment, have you ever been:
    a. a subject of a major complaint or legal proceeding? ..... Yes___ No___ ☐
    or,
    b. discharged or requested to resign by an employer because of dishonest or unethical acts alleged to have been committed by you? ..... Yes___ No___ ☐

51. Have you or any firm, corporation or association of which you have been a principal or officer ever failed in business, made a compromise with creditors or ever filed or been declared bankrupt under any bankruptcy acts? Yes___ No___ ☐

52. Have you ever been convicted of, or been found guilty of, or are you currently under indictment, or do you have any charge(s) pending for a felony of any kind or for any misdemeanor(s) or offense(s) other than minor traffic violations? ..... Yes___ No___ ☐

53. Have you ever been convicted, or been found guilty of a felony of any kind; or of a misdemeanor involving embezzlement, fraud, misappropriation of funds, abuse or misuse of a fiduciary relationship in connection with the purchase or sale of securities, commodities or insurance; or a misdemeanor involving the conduct of a broker-dealer? ..... Yes___ No___ ☐

54. Have you ever been a principal or employee of any organization which while you were associated with it was convicted, or found guilty of a felony or a misdemeanor involving embezzlement, fraud, abuse or misuse of a fiduciary relationship in connection with the purchase or sale of securities, commodities or insurance or a misdemeanor arising out of any other activity performed by a broker-dealer? ..... Yes___ No___ ☐

55. Are you currently the subject of an unsatisfied judgment or lien? ..... Yes___ No___ ☐

THE FOLLOWING SHOULD BE READ VERY CAREFULLY BY THE APPLICANT

1. I hereby certify that I have read and understand the foregoing statements and that my responses are true and complete to the best of my knowledge.

2. To induce the jurisdiction(s) and/or organization(s) with or to which I am filing or submitting this application to receive and consider it:
   A. I agree that any decision of the jurisdiction(s) and/or organization(s) as to the results of any examination(s) that I may be required to pass will be accepted by me as final;
   B. (1) I understand that I am not authorized to sell, or offer for sale any securities until I have received my license or registration certificate or an official notification of its effective date;
   (2) I understand that I am to sell only those securities authorized by my employer;
   C. I agree to abide by the Statute(s), Constitution(s), Rules and By-Laws of each jurisdiction(s) and/or organization(s) as any of the foregoing are amended from time to time with or to which I am filing or submitting this application;
   D. If I shall violate or be charged with the violation or possible violation of any statutes, rules, policies, constitutions or by-laws of of each jurisdiction and/or organization with or to which I am filing or submitting this application, I agree to be subject to and abide by the penalties of the Statute(s), Constitution(s), Rules and By-Laws of each jurisdiction and/or organization.

3. Further, and in consideration of the Exchange(s) or Association(s) receiving and considering this application, I submit myself to the jurisdiction of each of such Exchange(s) and Association(s).

4. I, _____, the undersigned applicant do solemnly swear that the answers to the above questions and the statements herein made are true, and that I have not herein made any statement, which is at this time and in the light of the circumstances under which it is made, false or misleading in any material respect.

5. The undersigned for the purpose of complying with the laws of the State of _____ relating to either the registration or sale of securities or commodities hereby irrevocably appoints the administrator or such other person designated by law and the successors in such office, its attorney in this State upon whom may be served any notice, process or pleading in any action or proceeding against me arising out of or in connection with the offer or sale of securities or commodities or out of violation of the aforesaid laws of said State; and the undersigned does hereby consent that any such action or proceeding against me may be commenced in any court of competent jurisdiction and proper venue within said State by service of process upon said appointee with the same effect as if the undersigned was a resident in this State and had lawfully been served with process in this State.
   It is requested that a copy of any notice, process or pleading served hereunder be mailed to me at my residence.

_____ DATE

_____ SIGNATURE OF APPLICANT

(NOTARIZATION OF APPLICANT'S SIGNATURE)

STATE OF _____ }
County _____ } ss:

Subscribed and sworn to before me this _____ day of _____ A.D., 19____

_____ Notary Public

My commission expires _____ County of _____ State of _____

_____ DATE

_____ SIGNATURE OF WITNESS

(Witness must be either a partner of the firm, officer of the corporation, branch office manager, or authorized employee. Please indicate which.)

SUPPLEMENTAL
STATE INFORMATION

Full name of applicant exactly as stated in Item 1 of Form U-4.

Mr.
Ms. _____
LAST FIRST MIDDLE

1. Have you previously been registered as an agent in this state? Yes ___ No ___

2. Attach the following, where applicable:

___ a) Small photograph taken no more than 3 years prior to date of filing the application.
___ b) Fingerprints on appropriate state forms.
___ c) Letters of reference.
___ d) Bond.
___ e) Proof of successful examination completion.
___ f) Physical description form.

3. Enclosed is the fee in the amount of _____.

ST-9-74

FORM U-4
AD-G-1

NEW YORK STOCK EXCHANGE, INC.

AGREEMENT

MUST BE COMPLETED BY ALL REGISTERED REPRESENTATIVES, BRANCH OFFICE MANAGERS AND OFFICERS

I hereby certify that I have read and understand the foregoing statements and that each of my responses thereto is true and complete, and that the responses in any and all prior applications filed with the New York Stock Exchange, Inc. were true and complete. In consideration of the New York Stock Exchange, Inc.'s receiving and considering my application:

(a) I authorize and request any and all of my former employers and any other person to furnish to the Exchange, *or any agent acting on its behalf,* any information they may have concerning my credit worthiness, character, ability, business activities, *general reputation, mode of living and personal characteristics,* together with, in the case of former employers, a history of my employment by them and the reasons for the termination thereof. *Moreover,* I hereby release each such employer and each such other person from any and all liability of whatsoever nature by reason of furnishing such information to the Exchange *or any agent acting on its behalf.*

Further, I recognize that I will be the subject of an investigative consumer report ordered by the Exchange, and that I have the right to request complete and accurate disclosure by the Exchange of the nature and scope of the investigation requested.

(b) I authorize the New York Stock Exchange, Inc. to make available to any prospective employer, or to any Federal, State or Municipal agency, any information it may have concerning me, and I hereby release the New York Stock Exchange, Inc. from any and all liability of whatsoever nature by reason of furnishing such information.

(c) I agree that the decision of the New York Stock Exchange, Inc. as to the results of any examinations it may require me to take will be accepted by me as final, *and that I shall be subject to the penalties provided for under Rule 345 (c) of the Board of Directors, as from time to time amended,* if, in the opinion of the Exchange, I have

(1) violated any provision of the Constitution or of any rule adopted by the Board of Directors;
(2) violated any of my agreements with the Exchange;
(3) made any misstatements to the Exchange; or
(4) been guilty of (i) conduct inconsistent with just and equitable principles of trade, (ii) acts detrimental to the interest or welfare of the Exchange, or (iii) conduct contrary to an established practice of the Exchange.

(d) I have read the Constitution and Rules of the Board of Directors of the New York Stock Exchange, Inc. and, if approved, I hereby pledge myself to abide by the Constitution and Rules of the Board of Directors of the New York Stock Exchange, Inc. as the same have been or shall be from time to time amended, and by all rules and regulations adopted pursuant to the Constitution, and by all practices of the Exchange.

Further, and in consideration of the New York Stock Exchange, Inc.'s approving my application, I submit myself to the jurisdiction of such Exchange, and I agree as follows:

(a) That I will not guarantee to my employer or to any other creditor carrying a customer's account, the payment of the debit balance in such account, without the prior written consent of the Exchange.

(b) That I will not guarantee any customer against loss in her/his account or in any way represent to any customer that I or my employer will guarantee the customer against such losses.

(c) That I will not take or receive, directly or indirectly, a share in the profits of any customer's account, or share in any losses sustained in any such account.

(d) That I will not make a cash or margin transaction or maintain a cash or margin account in securities or commodities, or have any direct or indirect financial interest in such a transaction or account, except with a member organization or with a bank. I understand and agree that no such transaction may be effected and no such account may be maintained without the prior consent of my employer, and that except for Monthly Investment Plan transactions such employer must receive promptly, directly from the carrying member organization or bank, duplicate copies of all confirmations and statements relating to such transactions or account. I further understand and agree that I shall receive no compensation for commissions or profits earned on any transaction or account in which I have a direct or indirect financial interest, except with the approval of my employer and in accordance with the rules of the Exchange.

(e) That I will not rebate, directly or indirectly, to any person, firm or corporation any part of the compensation I receive as a registered employee, and I will not pay such compensation, or any part thereof, directly or indirectly, to any person, firm or corporation, as a bonus, commission, fee or other consideration, for business sought or procured for me or for any member or member organization of the Exchange.

(f) That at any time, upon the request of Regulation and Surveillance, or of any Committee or Department of the New York Stock Exchange, Inc., I will appear before such Committee or Department and give evidence upon any subject under investigation by such Committee or Department, and that I will produce, upon request of the Exchange, all of my records or documents relative to any inquiry being made by the Exchange.

(g) I understand that any changes in compensation in any form, or additional compensation in any form, may be subject to disapproval by the New York Stock Exchange, Inc., and that I may not be compensated for business done by or through my employer after the termination of my employment, except as may be permitted by the Exchange.

(h) I agree that I will not take, accept or receive, directly or indirectly, from any person, firm, corporation or association, other than my employer, compensation of any nature, as a bonus, commission, fee, gratuity or other consideration, in connection with any securities or commodities transaction or transactions, except with the prior written consent of the Exchange.

(i) I will notify my member organization and Regulation and Surveillance promptly if, during the tenure of my employment I become the subject of: any investigation or proceeding by any governmental or securities industry self-regulatory body; a refusal of registration, injunction, censure, suspension, expulsion or other disciplinary action by any governmental or securities industry self-regulatory body; a major complaint by a customer of a member organization or by a broker-dealer in securities; a disciplinary action by a member organization; any litigation or arbitration alleging my violation of any agreement with or provision of any securities industry self-regulatory body's, constitution, by-laws, or rules or any securities law or regulation; or any bankruptcy or contempt proceeding, cease and desist order, injunction or civil judgment as party defendant; or any arrest, summons, arraignment, indictment, or conviction for a criminal offense (other than minor traffic violations); or any material allegation that I have conducted myself in a way which may be inconsistent with just and equitable principles of trade, or detrimental to the interest and welfare of the Exchange, or contrary to an established practice of the Exchange; or if I violate any provision of the Exchange Constitution or of any rule adopted by the Board of Directors or of any securities law or regulation or of any agreement with the Exchange.

(j) I agree that any controversy between me and any member or member organization or affiliate or subsidiary thereof arising out of my employment or the termination of my employment shall be settled by arbitration at the instance of any such party in accordance with the arbitration procedure prescribed in the Constitution and Rules then obtaining of the New York Stock Exchange, Inc.

(k) If the Exchange, during the period of 90 days immediately following receipt by the Exchange of written notice of the termination of my employment gives me written notice that the Exchange is making inquiry into any specified matter or matters occurring prior to termination of such employment, I agree that I will thereafter, comply with any request of the Exchange for me to appear and testify, submit records, respond to written requests, attend hearings, and accept disciplinary charges or penalties with respect to the matter or matters specified in such notice in every respect in conformance with the Constitution, Rules and practices of the *Exchange in the same manner* and to the same extent as required to do if I had remained an employee. If I refuse to accept such written notice or, having been given such notice, refuse or fail to comply with any such request of the Exchange, I agree that such refusal or failure may, in the discretion of the Exchange, act as a bar to future Exchange approval of my employment until such time as the Exchange has completed investigation into the matter or matters specified in such notice; has determined a penalty, if any, to be imposed against me; and until the penalty, if any, has been carried out.

_____ (Date)

_____ (Signature of Candidate)

Witness _____

(Witness must be either a partner of the firm, officer of the corporation, branch office manager, or authorized employee. Please indicate which.)

NYSE 11-74

APPROVED AS TO FORM AND LEGALITY
MAY 12 1976 19
WARREN SPANNAUS, ATTORNEY GENERAL
BY /s/ Michael B. Miller
SPECIAL ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
MAY 12 1976 - 4:20 pm
Joan Anderson Growe
Secretary of State

FILED
RICHARD L. BRUBACHER
Commissioner of Administration
MAY 13 1976
BY Eda Staudenmaier
AUTH. SIGNATURE
RB 10:15 AM

Proposed

Note: This is an amendment to existing rule SDiv. 2077 which became effective May 21, 1975. It should replace SDiv. 2077 which begins near the top of page 121 of the existing rules and ends near the bottom of page 123.

SDiv. 2077 Plan of Distribution

(a) Minimum Unit

The minimum purchase of a program may not be less than $5,000 and the initial investment by a participant shall be no less than $5,000, all of which must be paid within 12 months from the date the program commences. Assignability of the unit must be limited so that no assignee (transferee) or assignor (transferor) may hold less than a $5,000 interest except by gifts or by operation of law.

(b) Assessments

(1) Offering Circular - if the securities for which application for registration is made are subject to additional assessments, the following information concerning such assessments is required:

(aa) The amount of additional assessments to which the securities may be subject, and whether the payment of such assessment will be mandatory or optional;

(bb) The penalizing effect of refusal or inability to make payment of any additional assessments. An optional assessment in which a participant is required to forfeit any interest, except as provided below, or is subjected to any penalty for failure to participate will be deemed to be a mandatory assessment. Any interest charge occasioned

Changes or additions indicated by underlining, deletion by ~~strikeout~~.

Note: This is an amendment to existing rule SDiv. 2077 which became effective May 21, 1975. It should replace SDiv. 2077 which begins near the top of page 121 of the existing rules and ends near the bottom of page 123.

by late payment of any mandatory assessment or any unpaid portion of the original subscription price must bear a reasonable relationship to costs incurred by the sponsor or program by virtue of the late payment. Any interest charge which exceeds the maximum rate allowable under Minn. Stat. 1971, Section 334.01 is presumed unreasonable. In the event that a participant fails to contribute his portion of an optional assessment, the only penalty which may be imposed upon him shall be an 80% reduction in the amount of income from the properties developed by the assessments that he would otherwise be entitled to receive after the contributing participants have been returned the amount of their assessments.

(cc) The conditions upon which additional assessments may be made. Additional assessments may be made only for the following:

-- completion of wells already initiated
-- initiation of wells on leaseholds already owned or under contract
-- to acquire and develop leaseholds contiguous to those already owned, the acquisition of which is necessary to fully develop previously discovered reserves.

(2) Management fees payable out of and additional

Changes or additions indicated by underlining, deletion by ~~strikeout~~.

Note: This is an amendment to existing rule SDiv. 2077 which became effective May 21, 1975. It should replace SDiv. 2077 which begins near the top of page 121 of the existing rules and ends near the bottom of page 123.

assessments whether optional or mandatory, shall be deducted only when payment of the assessment is made.

(3) Limitation. Program interests shall not be subject to mandatory assessments in excess of 50% of the original subscription price.

(4) Registration Fees - the Aggregate amount upon which the registration fees are computed shall include the dollar amount for which the securities being registered may be additionally assessed. If the securities for which application is made are subject to unlimited optional assessments the maximum fee must be paid.

(c) Advertising materials

(1) Contents of Prospectus and Other Sales Literature.

(aa) History of Sponsor and Other Programs by Sponsor. Sponsor's history of operations shall be fully disclosed, and when applicable, sponsor's income from other programs shall be scheduled on a program-by-program basis. Such scheduling shall include total gross income (broken-down to disclose separately management fees, operator's fees, sales commissions, general and administrative overhead expenses reimbursed, and other sources of income) as well as any profits or losses, on an annual basis for the preceeding three years, received by the program sponsor or persons or

Changes or additions indicated by underlining, deletion by strikeout.

Note: This is an amendment to existing rule SDiv. 2077 which became effective May 21, 1975. It should replace SDiv. 2077 which begins near the top of page 121 of the existing rules and ends near the bottom of page 123.

companies affiliated with the sponsor from such programs.

(bb) Other Sales Literature. See SDiv. 2065(a)(1).

(2) Group Meetings, See SDiv. 20645(a)(2).

(d) Commissions

(1) Compensation to broker dealers shall be a cash commission. Indeterminate compensation to broker dealers, such as overriding interests and net profit interests, for example, is prohibited. In the absence of a firm underwriting, warrants or options to broker dealers are prohibited.

(2) Compensation to wholesale dealers must be a cash commission, and such commission must be reasonable and fully disclosed.

(3) Sales commissions based on assessment of units are prohibited.

(e) Suitability of the Participant

Standards to be Imposed - Given the limited transferability, the relative lack of liquidity, and the specific tax orientation of many oil and gas programs, the sponsor and its selling representatives should be cautious concerning the persons to whom such securities are marketed. Suitability standards for investors will, therefore, be imposed which are reasonable in view of the foregoing and of the type of program to be offered. Sponsors will be required to set forth in the prospectus the investment objectives of the program, a description of the type of person who could benefit from the program and the

Note: This is an amendment to existing rule SDiv. 2077 which became effective May 21, 1975. It should replace SDiv. 2077 which begins near the top of page 121 of the existing rules and ends near the bottom of page 123.

suitability standards to be applied in marketing it. The suitability standards proposed by the sponsor will be reviewed for fairness by the Commissioner in processing the application. In determining how restrictive the standards must be, special attention will be given to the existence of such factors as high leverage, and uncertain or no cash flow from certain program properties. Programs which involve more than ordinary investor risk should emphasize suitability standards involving substantial net worth of the investor.

Changes or additions indicated by underlining, deletion by ~~strikeout~~.

Note: This is an amendment to existing rule SDiv. 2079 which became effective May 21, 1975. It should replace SDiv. 2079 which begins near the top of page 125 and ends near the bottom of that page.

SDiv. 2079 Rights and Obligations of Participants

(a) Meetings

Meetings of the limited partnership may be called by the general partner(s) or the limited partner(s) holding more than 10% of the then outstanding limited partnership interests, for any matters for which the partners may vote as set forth in the limited partnership agreement. A list of the names and addresses of all limited partners shall be maintained as part of the books and records of the limited partnership and shall be mailed on request to any limited partner or his representative. Upon receipt of a written request either in person or by registered mail stating the purpose(s) of the meeting, the general partner shall provide all partners, within ten days after receipt of said request, written notice (either in person or by registered mail) of a meeting and the purpose of such meeting to be held on a date not less than fifteen nor more than sixty days after receipt of said request, at a time and place convenient to participants.

(b) Voting Rights of Limited Partners

The limited partnership agreement shall provide that a majority of the then outstanding limited partnership interests may, without the necessity for concurrence by the general partner, vote to (1) amend the limited partnership agreement, (2) dissolve the program, (3) remove and replace the sponsor(s) and (4) approve or disapprove the sale of all or substantially all of the assets of the program.

Note: This is an amendment to existing rule SDiv. 2079 which became effective May 21, 1975. It should replace SDiv. 2079 which begins near the top of page 125 and ends near the bottom of that page.

The agreement should provide for a method of valuation of the general partner's interest upon his removal.

Changes or additions indicated by underlining, deletions by ~~strikeout~~.

Note: This is a completely new rule. In the rules which became effective on May 21, 1975, SDiv. 2089 was "Reserved for Future Use." It should be inserted onto page 140 of the rules which became effective on May 21, 1975.

SDiv. 2089 Rights and Obligations of Participants

(a) Meetings

Meetings of the limited partnership may be called by the general partner(s) or the limited partner(s) holding more than 10% of the then outstanding limited partnership interests, for any matters for which the partners may vote as set forth in the limited partnership agreement. A list of the names and addresses of all limited partners shall be maintained as part of the books and records of the limited partnership and shall be mailed on request to any limited partner or his representative. Upon receipt of a written request either in person or by registered mail stating the purpose(s) of the meeting, the general partner shall provide all partners, within ten days after receipt of said request, written notice (either in person or by registered mail) of a meeting and the purpose of such meeting to be held on a date not less than fifteen nor more than sixty days after receipt of said request, at a time and place convenient to participants.

(b) Voting Rights of Limited Partners

The limited partnership agreement shall provide that a majority of the then outstanding limited partnership interests may, without the necessity for concurrence by the general partner, vote to (1) amend the limited partnership agreement, (2) dissolve the program, (3) remove and replace the sponsor(s) and (4) approve or disapprove the sale of all or substantially all of the assets of the program.

(c) This rule shall not apply to programs which are not structured as limited partnerships.

Note: This is an amendment to existing rule SDiv. 2099, which became effective May 21, 1975. It should replace SDiv. 2099 which is found in the middle of page 145 of the effective rules.

SDiv. 2099 Meetings and Inspection of Records

(a) There shall be an annual meeting of shareholders of the trust upon reasonable notice following delivery of the annual report required in SDiv. 2098 above. Special Meetings may be called upon written request of shareholders holding together not less than 20% of the outstanding shares of the REIT entitled to vote at such meeting. The call shall state the nature of the business to be transacted, and no other business shall be considered.

(b) The declaration of trust, or other instrument shall provide for the inspection of the trust records by a shareholder or beneficiary of the trust as permitted by local law to the same extent as is permitted corporate shareholders.

Changes or additions indicated by underlining, deletions by strikeout.

Note: This is a completely new rule. In the rules which became effective on May 21, 1975, SDiv. 2110 was "Reserved for Future Use." It should be inserted onto page 148 of the rules which became effective on May 21, 1975.

SDiv. 2110 The words "for value" as used in Section 80A.14(m)(1), (2) and (3) do not include:

(a) The offer or grant of an option to purchase securities if:

(1) the offer or grant is made to an officer, director or employee of the issuer or a parent or subsidiary of the issuer, and

(2) no monies or other tangible property is given for such option, and

(3) the option, by its terms or by the terms of some supplemental agreement, is non-transferable otherwise than by will or the laws of descent and distribution, and is exercisable, during the lifetime of the grantee, only by him.

(b) The distribution of any securities pursuant to an employee stock ownership trust as defined in Minnesota Statutes, 1974, Section 290.01, Subdivision 25, if the distributee has paid no monies or other tangible property in exchange for the securities or the right to receive the securities.

Note: This is a completely new rule. In the rules which became effective on May 21, 1975, SDiv. 2113 was "Reserved for Future Use." It should be inserted onto page 149 of the rules which became effective on May 21, 1975.

SDiv. 2113(a). An employee's "stock purchase plan means a plan which is qualified, or could be qualified under Section 423 of the Internal Revenue Code of 1954, as amended, unless good cause for an exception be shown. The exemption contained in Section 80A.15, Subdivision 1(h) does not apply to a "key employee's stock option plan" which is qualified, or could be qualified under Section 422 of the Internal Revenue Code of 1954 as amended (See SDiv. 2110(a)).

(b) An employee's "pension or profit sharing plan" in Section 80A.15, Subdivision 1(h) means a plan which is qualified, or could be qualified, under Section 401 of the Internal Revenue Code of 1954, as amended, unless good cause for an exception be shown.

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2114 was "Reserved for Future Use." This new rule should be inserted onto page 149 of the rules which became effective on May 21, 1975.

SDiv. 2114. Except for regulation of the issuance or guarantee by a public utility of its securities under the Public Utility Holding Company Act of 1935, regulation solely by the United States Securities and Exchange Commission is not "regulation...by a governmental authority of the United States" as that term is used in Section 80A.15, Subdivision 1(i).

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2115 was "Reserved for Future Use." This new rule should be inserted onto page 150 of the rules which became effective on May 21, 1975.

SDiv. 2115(a) Up to five sales of securities of an issuer in any twelve consecutive months [See SDiv. 2115(d)] shall be exempted as "isolated sales", provided, that in the case of sales by an issuer, except sales of securities registered under the Securities Act of 1933 or exempted by Section 3(b) of that act, the seller reasonably believes that all buyers are purchasing for investment.

(b) For the purpose of computing the number of sales which have been made, or will have been made upon completion of a proposed offering pursuant to Section 80A.15, Subdivision 2(a),

(1) The following sales shall be excluded:

(aa) The sale to any relative or spouse of a purchaser and any relative of such spouse, who has the same home as such purchaser; and

(bb) Any trust or estate in which a purchaser or any of the persons related to him as specified in subparagraphs (1)(aa) or (cc) of this rule collectively have 100 percent of the beneficial interest (excluding contingent interests); and

(cc) Any corporation or other organization of which a purchaser or any of the persons related to him as specified in subparagraphs (1)(aa) or (bb) of this rule collectively are the beneficial owners of all the equity securities (excluding directors' qualifying shares) or equity interests; and

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2115 was "Reserved for Future Use." This new rule should be inserted onto page 150 of the rules which became effective on May 21, 1975.

(2) There shall be counted as one sale a sale to any corporation, partnership, association, joint stock company, trust or unincorporated organization except that if such entity was organized for the specific purpose of acquiring the securities offered, each beneficial owner of equity interests or equity securities in such entity shall count as a separate sale; and

(3) Sales to clients of an investment adviser, customers of a broker-dealer, or persons with similar relationships shall be considered to be separate sales regardless of the amount of discretion given to the investment adviser, broker-dealer, or other person to act on behalf of the client or customer.

(c) For the purpose of determining the number of sales which have been made, or will have been made upon completion of a proposed distribution under Section 80A.15, Subdivision 2(a), only those sales which would be included within the scope of Chapter 80A, as determined by Section 80A.27, shall be included.

(d) For the purpose of determining the number of sales which have been made, or will have been made upon completion of a proposed distribution under Section 80A.15, Subdivision 2(a), all sales made pursuant to that paragraph within the twelve month period immediately preceding the proposed sale shall be included in determining whether the proposed sale may be made.

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2116 was "Reserved for Future Use." This new rule should be inserted onto page 151 of the rules which became effective on May 21, 1975.

SDiv. 2116. "Recognized manuals approved by the Commissioner", as that term is used in Section 80A.15, Subdivision 2(b), are limited to the following:

Standard & Poor's Corporation Records

Moody's Industrial Manual and Industrial News Reports

Moody's Bank & Finance Manual and Bank & Finance News Reports

Moody's Transportation Manual and Transportation News Reports

Moody's Public Utility Manual and Public Utility News Reports.

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2117 was "Reserved for Future Use." This new rule should be inserted onto page 151 of the rules which became effective on May 21, 1975.

SDiv. 2117. The terms "financial institution or institutional buyer" contained in Section 80A.15, Subdivision 2(g) do not ordinarily include a Small Business Investment Company unless it can be demonstrated that it possesses adequate sophistication with respect to the specific offer and sale.

Note: This is an amendment to existing rule SDiv. 2118, which became effective May 21, 1975. It should replace existing SDiv. 2118 which begins near the bottom of page 151 and ends at the top of page 154 of the May 21, 1975 rules.

SDiv. 2118(a). For the purpose of computing the number of persons to whom sales have been made, or will have been made upon completion of a proposed offering pursuant to Section 80A.15, Subdivision 2(h),

(1) The following purchasers shall be excluded:

(aa) Any relative or spouse of a purchaser and any relative of such spouse, who has the same home as such purchaser; and

(bb) Any trust or estate in which a purchaser or any of the persons related to him as specified in subparagraphs (1)(aa) or (cc) of this rule collectively have 100 percent of the beneficial interest (excluding contingent interests); and

(cc) Any corporation or other organization of which a purchaser of any of the persons related to him as specified in subparagraphs (1)(aa) or (bb) of this rule collectively are the beneficial owners of all the equity securities (excluding directors' qualifying shares) or equity interests; and

(2) There shall be counted as one purchaser any corporation, partnership, association, joint stock company, trust or unincorporated organization except that if such entity was organized for the specific purpose of acquiring the securities

Changes or additions indicated by underlining, deletions by ~~strikeout~~.

Note: This is an amendment to existing rule SDiv. 2118, which became effective May 21, 1975. It should replace existing SDiv. 2118 which begins near the bottom of page 151 and ends at the top of page 154 of the May 21, 1975 rules.

offered, each beneficial owner of equity interests or equity securities in such entity shall count as a separate purchaser; and

(3) Clients of an investment adviser, customers of a broker-dealer, ~~trusts-administered-by-a-bank-trust-department~~ or persons with similar relationships shall be considered to be separate purchasers regardless of the amount of discretion given to the investment adviser, broker-dealer, ~~bank-trust-department~~ or other person to act on behalf of the client; or customer ~~or-trust~~.

(b) The limitation of 25 purchasers contained in Section 80A.15, Subdivision 2(h) is waived in connection with any limited distribution resulting in sales to not more than 35 persons in this state in connection with any offering being made in compliance with Rule 146 promulgated by the Securities and Exchange Commission [17 C.F.R. § 230.146 (1975)] if such offering complies in all respects with that Rule.

(c) The exemption contained in Section 80A.15, Subdivision 2(h) is withdrawn for any security representing an interest in or formed for the purpose of investing in any oil and gas venture, or any partnership, joint venture, group or association formed principally for the purpose of exploring for oil and gas or developing oil and gas reserves unless said security is sold in compliance with Rule 146 promulgated by the Securities and Exchange Commission [17 C.F.R. § 230.146 (1975)].

(d) The exemption contained in Section 80A.15, Subdivision 2(h) is withdrawn for any security representing an interest in, or

Changes or additions indicated by underlining, deletions by ~~strikeout~~.

Note: This is an amendment to existing rule SDiv. 2118, which became effective May 21, 1975. It should replace existing SDiv. 2118 which begins near the bottom of page 151 and ends at the top of page 154 of the May 21, 1975 rules.

formed for the purpose of investing in, any animal breeding, animal feeding, animal leasing or similar venture, unless said security is sold in compliance with Rule 146 promulgated by the Securities and Exchange Commission [17 C.F.R. § 230.146 (1975)].

(e) For the purpose of Section 80A.15, Subdivision 2(h), "reasonable and customary commissions" means commissions which do not exceed the amounts which may permissibly be paid for the sale of particular types of securities in connection with registered offerings, as prescribed in SDiv. 2034.

(f) The exemption contained in Section 80A.15, Subdivision 2(h) is not available for any security which is advertised for sale to the general public in newspapers or other publications of general circulation or otherwise, or by radio, television or other method of mass communication. Mass communication includes a direct mailing or "seminar" where the issuer or other person making the offering does not have reasonable grounds to believe that the securities being offered would be a suitable investment for each person to whom such ~~mailing~~ solicitation is made, or does not have some other justifiable basis for selecting the persons to whom such ~~mailing~~ solicitation is made (such as existing security-holders of the issuer).

(g) (1). The exemption contained in Section 80A.15, Subdivision 2(h) is withdrawn for any security sold in a public distribution.

(2) For the purpose of this Rule, "public distribution"

Changes or additions indicated by underlining, deletions by ~~strikeout~~.

Note: This is an amendment to existing rule SDiv. 2118, which became effective May 21, 1975. It should replace existing SDiv. 2118 which begins near the bottom of page 151 and ends at the top of page 154 of the May 21, 1975 rules.

means a public offering registered under the Securities Act of 1933 or exempted by Section 3(b) of that act, provided, however, that this Rule shall not apply to exchange offers or offers of options pursuant to a plan approved, or proposed to be approved by shareholders.

(h) The exemption contained in Section 80A.15, Subdivision 2(h) is withdrawn for any security representing an interest in an association whose operations, or proposed plan of operations, would require a broker-dealer's license pursuant to Minnesota Statutes 1974, Section 80A.04, Subdivision 1, unless the association has been licensed under that section for a period not less than two consecutive years.

(i) The requirement of Clause (1) of Section 80A.15, Subdivision 2(h) is hereby waived in connection with offers to exchange securities of the issuer or another issuer made to existing security holders.

Changes or additions indicated by underlining, deletions by strikeout.

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2119 was "Reserved for Future Use." This rule should be inserted onto page 154 of the rules which became effective on May 21, 1975.

SDiv. 2119. Offers, but not sales, of any industrial revenue bond for which a registration statement has been filed under Sections 80A.01 to 80A.31, are hereby exempted from registration pursuant to Section 80A.15, Subdivision 2(i), provided, however, that any such written offer may be made only by, or only if accompanied by, the most recent preliminary or the final prospectus on file with the Commissioner.

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2121 was "Reserved for Future Use." This rule should be inserted onto page 154 of the rules which became effective on May 21, 1975.

SDiv. 2121. An option to purchase securities which has been granted without registration or exemption in reliance upon SDiv. 2115 is not an "outstanding convertible security" as that term is used in Section 80A.15, Subdivision 2(n). Securities issued pursuant to the exercise of such an option must at the time of issuance be either registered or exempted by Section 80A.15, Subdivision 1, or Subdivisions 2(a), 2(g) or 2(h).

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2122 was "Reserved for Future Use." This rule should be inserted onto pages 154 and 155 of the rules which became effective on May 21, 1975.

SDiv. 2122(a). Any offer or sale by an affiliate of the issuer thereof is hereby exempted from registration pursuant to Section 80A.15, Subdivision 2(o) if the following conditions are met prior to any such offer or sale:

(1) if the sale is subject to Rule 144 of the Securities and Exchange Commission:

(aa) a registration statement is in effect with respect to securities of the same class of such issuer and

(bb) the sale is made pursuant to Rule 144 promulgated by the Securities and Exchange Commission and

(cc) a copy of the Form 144 is transmitted to the Commissioner contemporaneous with its transmittal to the Securities and Exchange Commission and,

(dd) all annual, quarterly, or other reports required by Section 80A.12 or any rule thereunder have been filed or distributed during the twelve months preceeding such sale (or for such shorter period for which the issuer was required to file such reports), or

(2) if the sale is not subject to Rule 144:

(aa) a registration statement is in effect with respect to securities of the same class of such issuer and

(bb) a statement of the facts called for by Form 144 has been furnished to the Commissioner concurrent with the placing with a broker-dealer of an order to execute a sale

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2122 was "Reserved for Future Use." This rule should be inserted onto pages 154 and 155 of the rules which became effective on May 21, 1975.

(if a broker-dealer is used) or at the time of the offer (if a broker-dealer is not used) and,

(cc) all annual, quarterly, or other reports required by Section 80A.12 or any rule thereunder have been filed or distributed during the twelve months preceeding such sale (or for such shorter period for which the issuer was required to file such reports).

Note: This is a completely new rule. In the rules which became effective May 21, 1975, SDiv. 2126 was "Reserved for Future Use." This rule should be inserted onto page 160 of the rules which became effective on May 21, 1975 and SDiv. 2127 - 2129 relabelled "Reserved for Future Use."

SDiv. 2126. Any recission offer described in Section 80A.23, Subdivision 8 shall be accompanied by a document meeting the requirements of a prospectus for a registration by qualification. Said document shall, in addition, clearly disclose any material facts concerning the alternatives available to the offeree.

Note: This is an amendment to existing rule SDiv. 2135, which became effective May 21, 1975. It should replace SDiv. 2135 which is found at the bottom of page 164 of the existing rules.

SDiv. 2135. Incorporation by Reference.

Whenever a reference is made in SDiv. 2000 to SDiv. 2134~~7~~ to a federal or state statute, rule, decision or opinion, such reference shall be deemed to refer to the version of such statute, rule, decision or opinion as of April 15, 1974~~.~~, except that any such reference contained in SDivs. 2077, 2079, 2089, 2099, 2110, 2113 - 2119, 2121, 2122, 2126 add 2137 shall be to the version as of July 16, 1975.

Changes or additions indicated by underlining, deletions by ~~strikeout~~.

Note: This is a completely new rule. It should be inserted onto page 165 of the rules which became effective on May 15, 1975.

SDiv. 2137. SDiv. 1 - 1102 are hereby repealed.

APPLICATION TO REGISTER SECURITIES

Application to _____ of the State of _____

pursuant to Section _____ of the _____

1. Name and address of Issuer and principal office in this state:

2. Name, address and telephone number of correspondent to whom notices and communications regarding this application may be sent:

3. Name and address of applicant:

4. Registration or acceptance for filing is sought for the following described securities in the amounts indicated:

Description of Securities	Offering Price or Proposed Offering Price	Total Offering No. of Shares or units	Amt.	Offering in This State No. of shares of Units	Amt.
			$		$
Totals			$		$

Indicate the maximum commission to be charged: _____%

5. Amount of filing and examination fees which are enclosed: $_____ $_____

6. A Registration Statement was filed with the Securities and Exchange Commission on _____ (Date) and (became) (will become) effective on _____ (Date).

7. (a) List the states in which it is proposed to offer the securities for sale to the public.

(b) List the states, if any, in which the securities are eligible for sale to the public.

(c) List the states, if any, which have refused, by order or otherwise, to authorize sale of the securities to the public, or have revoked or suspended the right to sell the securities, or in which an application has been withdrawn.

DO NOT WRITE BELOW THIS LINE

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8. Submitted herewith as a part of this application are the following documents (documents on file may be incorporated by reference):

   (a) One copy of the Registration Statement and two copies of Prospectus in the latest form.

   (b) Underwriting Agreement, Agreement among Underwriters, and Selected Dealers Agreement.

   (c) Indenture.

   (d) Issuer's charter or articles of incorporation as amended to date.

   (e) Issuer's by-laws as amended to date.

   (f) Signed copy of opinion of counsel filed with Registration Statement.

   (g) Manually signed consent of accountant.

   (h) Consent to service of process accompanied by appropriate corporate resolution.

   (i) One copy of all advertising matter to be used in connection with the offering.

   (j) Others (list each):

9. The applicant hereby applies for registration or acceptance for filing of the above registered securities under the law cited above and in consideration thereof agrees so long as the registration remains in effect that it will:

   (a) Advise the above named state authority of any change prior to registration in this state in any of the information contained herein or in any of the documents submitted with or as a part of this application.

   (b) File with the above named state authority within two business days after filing with the Securities and Exchange Commission (i) any amendments other than delaying amendments to the federal registration statement, designating the changed, revised or added material or information by underlying the same; and (ii) the final propsectus, or any further amendments or supplements thereto.

   (c) Notify the above named state authority within two business days (i) upon the receipt of any stop order, denial, order to show cause, suspension or revocation order, injunction or restraining order, or similar order entered or issued by any state or other regulatory authority or by any court, concerning the securities covered by this application or other securities of the issuer currently being offered to the public; and (ii) upon the receipt of any notice of effectiveness of said registration by the Securities and Exchange Commission if applicable.

(d) Notify the above named state authority at least two business days prior to the effectiveness of any registration with the Securities and Exchange Commission of (i) any request by the issuer or applicant to any state or regulatory authority for permission to withdraw any application to register the securities described herein; and (ii) a list of all states in which applications have been filed where the issuer or applicant has received notice from the state authority that the application does not comply with state requirements and cannot or does not intend to comply with such requirements.

(e) Furnish promptly all such additional information and documents in respect to the issuer or the securities covered by this application as may be requested by the above named state authority prior to registration or acceptance for filing.

Date: _____

_____
Name of Applicant

By _____
(Name & Title)

STATE OF _____)
COUNTY OF _____)

The undersigned, _____, being first duly sworn, deposes and says:

That he has executed the foregoing application for and on behalf of the applicant named therein; that he is _____ of such applicant and is fully authorized to execute and file such application; that he is familiar with application; and that to the best of his knowledge, information and belief the statements made in such application are true and documents submitted therewith are true copies of the originals thereof.

_____
Name

Subscribed and sworn to before me
this _____day of _____, 19__

_____
NOTARY PUBLIC

In and for the County of _____
State of _____
My Commission Expires: _____
(Notarial Seal)

Form 137

STATE OF MINNESOTA
SECURITIES DIVISION - DEPARTMENT OF COMMERCE
5th Floor Metro Square Building
Seventh and Robert Streets
St. Paul 55101

BLANKET BOND FOR AGENTS
ACTING FOR ISSUER OR BROKER/DEALER IN SECURITIES

BOND #_____

KNOW ALL MEN BY THESE PRESENTS: That we,_____ _____of_____, in the State of_____, as Principal, and_____ of_____, a corporation duly organized and existing under the laws of the State of_____ and authorized to do business in the State of Minnesota, as Surety, are hereby held and firmly bound unto the State of Minnesota, for the use and benefit of any original purchaser or seller of securities from or through said Principal or for the use and benefit of any other person damaged by any breach of the conditions of this obligation, in the sum of_____Dollars ($_____),*lawful money of the United States, for the payment of which sum well and truly to be made we bind ourselves, our successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THE ABOVE OBLIGATION ARE SUCH THAT:

WHEREAS, The above-named Principal is a broker/dealer licensed under the provisions of Chapter 80A, Minnesota Statutes, as amended, or issuer of securities make registered pursuant to the provisions of said Act, and has made or is about to make application to the Commissioner of Securities for licenses to sell securities within the State of Minnesota by agents of said Principal; and

WHEREAS, The above-named Principal may, at its option, file a blanket surety bond herein;

NOW, THEREFORE, If the agents of said Principal shall faithfully observe the provisions of the laws of the State of Minnesota relating to the sale of securities, as set forth in Chapter 80A, Minnesota Statutes, as amended, and shall faithfully account for all moneys and securities of another received by said agents as salesmen of said Principal, and shall promptly and faithfully pay all of the obligations and claims for damages for which they may become liable, based upon fraud, deceit, misrepresentation, or otherwise, in the course of their said agency in the sale in Minnesota of any security or securities sold or dealth in by said Principal through said agents under their licenses and within the period thereof, then this obligation shall be void; otherwise to be and remain in full force and effect.

The liability of the surety on this bond, not exceeding $5,000.00 for any one agent of a Broker Dealer or $5,000.00 for any one agent of an issuer, shall be the sum total of any and all recoveries hereunder and shall not exceed_____Dollars ($_____).*

This bond may be canceled by either the Principal or the Surety by giving thirty (30) days notice thereof in writing to the other and mailing by registered mail a copy of said notice to the Commissioner of Securities of the State of Minnesota. In the event of such cancellation, which shall take effect at the expiration of said thirty (30) days, no claim having been made hereunder, the Surety shall refund the unearned premium.

No suit may be maintained to enforce any liability on the bond, unless brought within three years after the sale or other act upon which it is based.

*For agents of broker dealer, a maximum of $50,000; for Agents of an issuer, a maximum of $50,000 or 10% of the aggregate amount of securities offered, whichever is less.

IN WITNESS WHEREOF, We have hereunto set our hands and seals this _____day of_____, 19__.

_____
Principal

(Corporate Seal if a corporation)

(Corporate Seal) By_____

APPROVED THIS_____DAY OF

_____, 19__. _____
Surety

_____
Commissioner of Securities By_____

NOTE - ACKNOWLEDGMENT REQUIREMENTS ON REVERSE SIDE HEREOF.

(ACKNOWLEDGMENT OF INDIVIDUAL)

STATE OF_____)
)ss
COUNTY OF_____)

On this_____, 19__, before me personally appeared_____, to me known to be the person described in and who executed the foregoing instrument, as Principal, and acknowledged to me that he executed the same as his free act and deed.

(NOTARIAL SEAL)

_____
Notary Public,_____
County,_____
My commission expires_____
_____

- - - -

(ACKNOWLEDGMENT OF PARTNERSHIP)

STATE OF_____)
)ss
COUNTY OF_____)

On this_____day of_____, 19__, before me personally appeared_____, to me known to be a member of the firm who executed the foregoing instrument, and he duly acknowledged to me that he executed the same as and for the act and deed of said firm.

(NOTARIAL SEAL)

_____
Notary Public,_____
County,_____
My commission expires_____
_____

- - - -

(ACKNOWLEDGMENT OF CORPORATION)

STATE OF_____)
)ss
COUNTY OF_____)

On this_____day of_____, 19__, before me personally came_____and says that he is the_____ of_____, Principal heretofore named; that he executed the instrument for and in its behalf, by authority of its Board of Directors, and affixed its seal thereto.

(NOTARIAL SEAL)

_____
Notary Public,_____
County,_____
My commission expires_____
_____

Form 101

APPLICATION FOR INVESTMENT ADVISER'S LICENSE

State of Minnesota
SECURITIES DIVISION - DEPARTMENT OF COMMERCE
5th Floor Metro Square Building
Seventh and Robert Streets
St. Paul 55101

The undersigned_____
hereby makes application for a license as an Investment Adviser, under the provisions of Chapter 80A, Minnesota Statutes 1974, and hereby remits the statutory fee of $100 for the purpose of procuring such license. Make check payable to State Treasurer, State of Minnesota, and mail to Commissioner of Securities.

Every question must be answered. Omission of any material fact in connection with the following questions will be deemed intentional and will constitute sufficient reason for denial or revocation of license.

1. Name of business:_____.

2. Post-office address of principal office and of each branch office:
_____
_____.

3. Date of establishment of present business:_____.
If incorporated, give state and date of incorporation_____.

4. Name and date of establishment of predecessor business:_____
_____.

5. For applicant and for each controlling person associated with applicant's personnel, attach a separate exhibit containing description of education and experience.

6. If applicant is engaged in any business other than investment counselling or rendering services pertaining to securities, briefly describe such other business:_____
_____.

7. State whether applicant is affiliated with or sponsors any investment trust._____. If so, furnish details:_____
_____.

8. Attach copy of all forms of employment contracts between applicant and clients.

9. State whether applicant pays to any person, other than its officers, directors, regular employees or regular members of its organization, any portion of the fee collected for investment advice rendered to clients._____. If so, state under what circumstances._____
_____
_____.

10. Does applicant have discretionary power over investment of clients' funds?_____.

11. State whether applicant or client selects the broker or dealer to effect transaction for client._____.

12. Describe the arrangement (if any) with clients with respect to the execution of orders for the purchase or sale of securities:_____
_____
_____.

13. State whether applicant at any time has access to or custody of clients' funds and/or securities._____.

If so, furnish complete information as to arrangement with client._____
_____
_____
_____.

14. Furnish complete information as to present business of applicant, classified as follows:

Type of Account	Total Number of Accounts	Approximate Total Amount of Funds in Such Accounts
(a) Investment trusts	_____	$_____
(b) Investment companies	_____	$_____
(c) Common or co-mingled fund	_____	$_____
(d) Banks	_____	$_____
(e) Insurance companies	_____	$_____
(f) Non-profit corporations	_____	$_____
(g) Other corporations	_____	$_____
(h) Individual clients	_____	$_____

15. State whether applicant places or limits accounts with respect to:

(a) Minimum amount of any account which applicant will accept.
_____.

(b) Minimum fee payable by client._____.

16. Furnish copy of any bulletins, circulars, or literature prepared by applicant for distribution to clients.

17. Does applicant advertise its services?_____.
If so, in what form?_____.

18. Furnish detailed information concerning organization of statistical and research departments and methods used by each to obtain information upon which investment recommendations are made.
_____
_____
_____
_____.

19. If applicant be a corporation, is any officer, director, or employee (or if applicant be a partnership, is any member thereof) a proprietor, partner, officer, or director in any organization engaged in the business of distribution of securities to the public as broker or principal?_____.

If so, furnish details._____
_____
_____
_____.

20. Has applicant or any officer thereof ever been suspended or expelled from any stock exchange; been named as defendant in any criminal action; has been the subject of any order or disciplinary proceeding of any State or Federal Agency?

_____.

If so, explain._____

_____

_____.

21. Attached hereto and made a part hereof, marked Exhibit X, is a true and correct financial statement of the business of applicant as of the close of business on the last day of the month preceding the filing of this application.

The applicant represents that the statements contained herein are true and correct.

IN WITNESS WHEREOF, The said applicant has hereunto affixed its signature this _____ day of_____ 19__.

_____

By_____

Title_____

NOTE - ACKNOWLEDGMENT REQUIREMENTS ON REVERSE SIDE HEREOF.

CORPORATE VERIFICATION

STATE OF_____)
) ss
COUNTY OF_____)

_____,
being first duly sworn, says that he is the_____of
_____, applicant above named,
and executes this instrument for and in its behalf, by authority of its board of directors; that he has read the foregoing application, including all exhibits submitted therewith, and states that the contents thereof are true of his own knowledge.

_____

Subscribed and sworn to before me this
_____day of_____, 19__

_____

Notary Public, _____County,
_____. My Commission Expires _____
_____.

INDIVIDUAL VERIFICATION

STATE OF_____)
) ss
COUNTY OF_____)

_____,
being first duly sworn, says that he is_____
_____
applicant; that he has read the foregoing application, including all exhibits submitted therewith, and states that the contents thereof are true of his own knowledge.

_____

Subscribed and sworn to before me this
_____day of_____, 19__

_____

Notary Public, _____County,
_____. My Commission Expires
_____.

Form 172

BOND FOR INVESTMENT ADVISOR

KNOW ALL MEN BY THESE PRESENTS, That we,_____
_____, as Principal, and_____
a_____,
qualified and authorized to do business in the State of Minnesota, as Surety, are held and firmly bound unto the STATE OF MINNESOTA for the use and benefit of any interested person, in the sum of $25,000.00, lawful money of the United States of America, to be paid to the State of Minnesota for the use and benefit aforesaid, for which payment well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH, That Whereas the above named Principal has made application to the State of Minnesota, Department of Commerce, Securities Division, for licensing as an Investment Advisor within the meaning of the Minnesota Securities Act and is required to furnish a bond in the sum above named, conditioned as herein set forth:

NOW, THEREFORE, If the Principal, their agents and employees, shall strictly, honestly and faithfully comply with the provisions of the aforementioned Minnesota Securities Act, and shall pay all damages suffered by any person by reason of the violation of any of the provisions of the Act, or Acts amendatory thereof and supplementary thereto, now or hereafter enacted, or by reason of any fraud, dishonesty, misrepresentation or concealment of facts materially affecting the value of any securities connected with, or growing out of any transaction contemplated by the provisions of this Act, then this obligation shall be void; otherwise to remain in full force and effect.

THIS BOND shall become effective on the_____, and shall remain in force until the Surety is released from liability by the State of Minnesota, Department of Commerce, Securities Division, or until this bond is cancelled by the Surety. The Surety may cancel this bond and be relieved of further liability hereunder by giving thirty (30) days' written notice to the Principal and to the Department of Commerce, Securities Division of the State of Minnesota.

THIS BOND shall be one continuing obligation, and the liability of the Surety for the aggregate of any and all claims which may arise hereunder shall in no event exceed the amount of the penalty hereof.

No suit may be maintained to enforce any liability on the bond, unless brought within three years after the sale or other act upon which it is based.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____day of_____, 19__.

WITNESS:

_____ _____

_____

ATTEST: _____

_____ By_____

(INDIVIDUAL ACKNOWLEDGMENT)

STATE OF_____)
) ss
COUNTY OF_____)

On this_____day of _____, 19__, before me, a Notary Public within and for said county, personally appeared, _____, to me known to be the person described in and who executed the foregoing instrument, as Principal, and acknowledged to me that he executed the same as his free act and deed.

_____

(NOTARIAL SEAL)

Notary Public,_____

County, _____

My Commission Expires_____

_____

(CORPORATE ACKNOWLEDGMENT)

STATE OF_____)
) ss
COUNTY OF_____)

On this_____day of_____, 19__, before me a Notary Public within and for said county, personally appeared, _____, who being first duly sworn, says that he is the_____ _____of_____, Principal herein, and executed the foregoing instrument for and in its behalf, by authority of its Board of Directors; that the seal affixed to the foregoing instrument is the corporate seal of said corporation; and further acknowledged said instrument and the execution thereof to be the voluntary act and deed of said corporation.

_____

(NOTARIAL SEAL)

Notary Public,_____

County,_____

My Commission Expires_____

_____

(SURETY ACKNOWLEDGMENT)
(Corporate Officer)

STATE OF_____)
) ss
COUNTY OF_____)

On this_____day of_____, 19__, before me, a Notary Public within and for said county, personally appeared _____, who being first duly sworn, says that he is the_____of_____, Surety herein, a corporation duly organized and existing under laws of the State of_____, and executed the foregoing instrument for and in its behalf, by authority of its Board of Directors; that the seal affixed to the foregoing instrument is the corporate seal of said corporation; and further acknowledged said instrument and the execution thereof to be the voluntary act and deed of said corporation.

_____

(NOTARIAL SEAL)

Notary Public, _____

County,_____

My Commission Expires_____

_____

Approved by the Securities Division of the Department of Commerce this_____day of_____, 19__.

By_____
Commissioner of Securities

old

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES DIVISION
5th Floor Metro Square
St. Paul, Minnesota 55101

DIRECTORS RESOLUTION AUTHORIZING CORPORATE APPOINTMENT OF ATTORNEY

On motion, the following resolution was duly passed and adopted:

WHEREAS, this corporation is organized under the laws of the State of _____, and proposes to make application for Dealer/Broker/Investment Adviser License within the State of Minnesota, and,
(Delete categories not applicable

WHEREAS, under the Securities Laws of the State of Minnesota, it is necessary to appoint an attorney to receive legal process,

BE IT RESOLVED, that in conformity with the laws of the State of Minnesota, the President and the Secretary of this corporation are hereby authorized and directed to execute and file with the Commissioner of Securities of the State of Minnesota, in the form prescribed by the said Commissioner, the appointment of the Commissioner of Securities of the State of Minnesota, his successor or successors, as its true and lawful attorney upon whom may be served all legal process in any action or proceeding in which this corporation may be a party and which relates to or involves any transaction covered by the Securities Laws of the State of Minnesota. Be it further resolved that this corporation does hereby expressly consent and agree that service on said attorney shall be as valid and binding as if due and personal service had been made on this corporation, and that such appointment shall be and is irrevocable.

I, _____, Secretary of _____

_____, hereby certify that the foregoing is a true and exact copy of a resolution of the board of directors of the

_____

which resolution was duly passed and adopted at a legal meeting of said board of directors held on the _____day of _____, 19__.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said corporation, this _____day of _____, 19__.

(CORPORATE SEAL)

_____
Secretary

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES DIVISION

CORPORATE APPOINTMENT OF ATTORNEY FOR SERVICE OF PROCESS

KNOW ALL MEN BY THESE PRESENTS:

That in compliance with the Laws of the State of Minnesota, _____

_____,

a corporation organized and existing under the laws of _____, does hereby appoint the Commissioner of Securities of the State of Minnesota, his successor or successors, as its true and lawful attorney upon whom may be served all legal process in any action or proceeding in which it may be a party and which relates to or involves any transaction covered by the Securities Laws of the State of Minnesota, and does hereby expressly consent and agree that service upon such attorney shall be as valid and binding as if due and personal service had been made upon it and that such appointment shall be irrevocable.

IN WITNESS WHEREOF, said corporation has caused this instrument to be executed by its president and secretary and its corporate seal to be affixed this

_____day of _____, 19__.

_____

(CORPORATE SEAL) By _____
President

And _____
Secretary

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, 19__, before me, a notary public in and for said County and State, personally appeared _____

_____and_____, to me known to be the persons described in and who executed the foregoing instrument and who, being by me first duly sworn, did say that they are the president and secretary, respectively, of _____, the corporation described in the foregoing instrument, that the seal affixed to said instrument is the corporate seal of said corporation, that said instrument was executed in behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

_____

(NOTARIAL SEAL) Notary Public, _____County, _____

My Commission expires _____

Form 106-

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES DIVISION
5th Floor Metro Square
St. Paul, Minnesota 55101

INDIVIDUAL APPOINTMENT OF ATTORNEY FOR SERVICE OF PROCESS

KNOW ALL MEN BY THESE PRESENTS:

That in compliance with the Laws of the State of Minnesota, _____

_____ a non-resident, does hereby appoint the Commissioner of Securities of the State of Minnesota, his successor or successors, as his true and lawful attorney upon whom may be served all legal process in any action or proceeding in which he may be a party and which relates to or involves any transaction covered by the Securities Laws of the State of Minnesota, and does hereby expressly consent and agree that service upon such attorney shall be as valid and binding as if due and personal service had been made upon him and that such appointment shall be irrevocable.

IN WITNESS WHEREOF, I have hereunto set my hand this _____

day of _____, 19__.

_____

_____

_____

Address

_____

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____ personally appeared before me, a notary public in and for said County and State, _____

_____,

to me known to be the person described in and who executed the foregoing instrument and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

_____

Notary Public, _____County _____

(NOTARIAL SEAL)

My Commission expires _____

SECURITIES DIVISION, DEPARTMENT OF COMMERCE
STATE OF MINNESOTA, ST. PAUL, MINNESOTA

Quarterly Report Pursuant to Section 80A.12, Subdivision 8, Minnesota Statutes

So lond as a registration statement is effective, the person filing the registration statement shall file three quarterly reports in such form, and containing such information as the Commissioner prescribes. At a minimum, the quarterly report shall contain the following information:

_____ _____
(Date of Report) (Quarterly Period Covered)

_____
(Exact name of Registrant)

_____
(State or other jurisdiction of incorporation or organization)

_____ _____
(Address of principal executive offices) (Zip code)

Registrant's telephone number including area code _____

A balance sheet, income statement, statement of changes in financial position (none of which need be audited), and such other disclosure as may be needed to make the statements not misleading, all of which may be waived.

A description of all sales of unregistered securities made within the quarterly period covered:

The type of securities sold, and the date of sale;

The number and dollar amount of securities sold;

The persons or class of persons to whom such securities were sold;

The market price of the securities sold on the date of sale;

The name of any broker-dealer or agent participating in such sale, and the amount of commissions or other remuneration paid;

The exemptions claimed for any such sales; and

Whether the securities have been legended and if stop transfer instructions have been placed on said securities, and if no restrictions, the reasons therefor.

A description of all securities of the registrant repurchased or otherwise reacquired by the registrant within the quarterly period covered by the report.

The names and addresses of all officers and directors, or persons occupying similar status or performing similar functions if such information has changed since the most recent report (whether it was a quarterly report or an annual report).

The quarterly report shall be filed within 45 days following the end of each quarter of each fiscal year except for the final quarter of the issuer's fiscal year.

FORM 102A (Rev. 7/1/75)

SECURITIES DIVISION, DEPARTMENT OF COMMERCE
STATE OF MINNESOTA, ST. PAUL, MINNESOTA

Annual Report Pursuant to Section 80A.12, Subdivision 10, Minnesota Statutes

ANNUAL REPORT FEE $100

For the fiscal year ended _____ Commission File Number _____

_____
(Exact name of issuer)

_____
(Exact name of security registered)

_____
(State or other jurisdiction of incorporation or organization)

_____ _____
(Address of principal executive offices) Zip code

Issuer's telephone number, including area code _____

Number of shares outstanding at end of last fiscal year _____

Number of shares outstanding at end of this fiscal year _____

Number of unregistered shares issued:

Date issued	Consideration given	Exemption claimed
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

The persons or class of persons to whom such securities were sold:

The name of any broker-dealer or agent participating in such sale, and the amount of commissions or other remuneration paid, if applicable:

A description of all securities of the registrant repurchased or otherwise reacquired by the registrant within the fiscal year covered by the report:

The names and addresses of all officers and directors, or persons occupying similar status or performing similar functions:

A description of the business of the registrant, including its products and services, competitive conditions, sources of supply, the number and general function of employees, its market area, and any other factors which materially affect the business or operations of the registration:

A summary of operations for the fiscal year covered by the report including, without limitation, gross revenues, cost of goods sold or services provided, net income, debt service and earnings per share of each class of equity security outstanding, together with a comparison of similar figures for the fiscal year immediately preceding the fiscal year covered by the report. The comparison required by this paragraph may be presented in columnar form:

A brief description of the location and general character of plants, mines and other materially important physical properties of the registrant:

A description of all affiliates of the registrant, and an explanation of the manner in which each is affiliated with the registrant:

A description of any material legal proceedings pending against the company:

The approximate number of holders of record of each outstanding class of equity securities:

A list in tabular form of the name and address of each executive officer, and any person known to the registrant who beneficially owns 10 percent or more of any class of outstanding voting securities of the registrant, showing for each the title of the class owned, the type of ownership, the amount owned and the percent of class owned:

A list in tabular form of the amount of remuneration received and the capacity in which such remuneration was received for each executive officer and director:

A list and description of the number and exercise price of all options outstanding which are beneficially owned by any officer or director:

Financial statements certified by independant account complying with the requirements of SDiv. 25.3-1 of these regulations.

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES DIVISION
5th Floor Metro Square
St. Paul, Minnesota 55101

SECURITIES AGENT BOND No. _____

KNOW ALL MEN BY THESE PRESENTS, that _____ (Securities agent or applicant) of _____ Minnesota, as principal, and _____ of _____ a corporation duly organized and existing under the laws of the State of _____ and authorized to do business in the State of Minnesota, as surety, hereby are jointly and severally held and firmly bound to the State of Minnesota, in the sum of $5,000 as Agent for Broker-Dealer) or ($5,000 as Agent for Issuer) for the use and benefit of the public including persons injured or suffering financial loss by reason of the failure of Principal to perform or satisfy the obligations and conditions hereinafter specified, for the payment of which, well and truly to be made, we bind ourselves, and each of use, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THE ABOVE OBLIGATION ARE SUCH THAT:

WHEREAS, the said Principal is licensed, or has made or is about to make application to be licensed, as a securities agent pursuant to the provisions of Minn. Stat., Ch. 80A as amended, and

WHEREAS, Principal as such agent is required to file and maintain in effect a surety bond in accordance with the provisions of said law, as a condition for issuance of such securities agent license.

NOW, THEREFORE, if the said Principal shall faithfully observe all provisions of the laws of the State of Minnesota relative to the sale of securities, including the provisions of Minn. Stat., Ch. 80A as amended, and shall faithfully perform and pay all obligations devolving upon said Principal by virtue of his agency and the laws relative to the sale of securities, and shall promptly pay all claims for damages for which said Principal may be or become liable through fraud, deceit, misrepresentation, or otherwise arising out of or in any way connected with any misfeasance or malfeasance of Principal as a securities agent or his holding himself out as a securities agent, then and in the event, the foregoing obligations shall be void; otherwise to remain in full force and effect.

This bond shall be effective and run concurrently with the one year period of the securities agent license issued or to be issued to said Principal, from the date said license is granted, except that the liability upon the bond shall continue notwithstanding said expiration of the period of the bond, for or arising out of any and all acts of the said Principal during said stated period of the bond. The total liability of the surety hereunder shall in no event exceed the sum of _____ Dollars (_____).

No suit may be maintained to enforce any liability on the bond unless brought within three years after the sale or other act upon which it is based.

Signed this _____ day of _____, 19__.

Signed, Sealed and
Delivered in the Presence of:

(as to Principal)

_____ _____
Principal

_____ _____(Seal)
Surety

(as to Surety)

_____ By _____
Attorney in Fact

_____

Acknowledgment of Principal

STATE OF MINNESOTA)
) SS.
COUNTY OF _____)

On this _____ day of _____, 19__, personally came _____ to me well known to be the identical person described in and who executed the foregoing instrument and he/she acknowledged the same to be his/her own free and deed.

_____
Notary Public

(SEAL)

(ATTACH ACKNOWLEDGMENT OF OFFICER OF SURETY)

Countersigned by Minnesota Resident Agent _____

ESCROW AGREEMENT

THIS ESCROW AGREEMENT made and entered into this _____ day of _____, 19___, by and between _____ _____ _____(herein collectively referred to as Depositors); _____ _____, a corporate fiduciary with principal office in _____ (hereinafter called the Escrow Agent); _____ _____ a corporation with principal offices in _____ _____(hereinafter called the Issuer) and the Commissioner of Securities for the State of Minnesota (hereinafter called the Commissioner);

WITNESSETH THAT:

Each of the Depositors is the owner of _____ (description of security) _____ of the Issuer and each owns the number of units of such security listed opposite his name on Annex A, attached hereto and made a part hereof.

The Issuer has applied to the Commissioner for registration of its securities for sale to residents of Minnesota, and as a condition of registration the Depositors, the Escrow Agent and the Issuer agree to be bound by this Agreement and the applicable Rules and Regulations of the Commissioner.

Each of the Depositors has deposited the securities listed opposite his name on Annex A with the Escrow Agent, and the Escrow Agent hereby acknowledges receipt thereof. These securities are herein collectively referred to as "escrowed securities".

THEREFORE, the parties agree as follows:

1. The Escrow Agent agrees to hold the escrowed securities until such time as Escrow Agent shall receive a written release issued by the Commissioner permitting the release from escrow of all or a part of the escrowed securities held under this Agreement. Upon receipt of such release, the Escrow Agent may release to each Depositor all or a part of his escrowed securities in accordance with the order of the Commissioner.

Subject to the above provisions, the term of escrow under this Agreement shall run for a period of _____ years from the date of the Order of Registration, unless at an earlier date the Issuer shall have demonstrated annual net earnings, after taxes and excluding extraordinary items, determined in accordance with generally accepted accounting principles, for any two consecutive years after the date of the Order of Registration, of at least _____ percent on an amount determined by multiplying the total number of outstanding shares of the Issuer, including the escrowed securities, by the average price per share paid by public investors. The existence of the required annual net earnings shall be demonstrated by a certificate to that effect furnished to the Commissioner by an independent certified public accountant. In addition, the Issuer and each of the Depositors shall furnish the Commissioner a written statement that none of the escrowed securities nor any interests therein have been sold, transferred or otherwise disposed of as a condition of the release from escrow.

2. Notwithstanding any provision of paragraph 1, the Commissioner may, in his discretion, terminate the term of escrow with respect to all or any part of the escrowed securities of any Depositor before the expiration of the period of occurrence of the event specified in paragraph 1 and release such securities if he determines that the release of such securities to the Depositor(s) will not be detrimental to the Issuer, the public investors or any other party concerned. At the time of release by the Commissioner of any securities from escrow, the application of this Agreement shall terminate with respect to the securities so released.

3. While it is held in escrow pursuant to this Agreement, no escrowed security nor any interest therein, nor any right or title thereto, may be sold or transferred, by means of transfer of the security separate from the certificate representing it or otherwise, without the prior written release of the Commissioner, except that the release of the Commissioner need not be obtained to transfer escrowed shares by will or the laws of descent and distribution or otherwise by order or process of any Court.

4. Upon receipt of such written release from the Commissioner directing that some or all of the escrowed securities of the Depositor held under this Escrow Agreement be released for the purpose of transfer to another person against concurrent deposit of the securities so transferred, the Escrow Agent may release such securities but only against such deposit under this Agreement of all of the transferred securities. The Commissioner shall authorize such transfer of the escrowed securities only upon receipt of a signed statement by the proposed transferee that he has full knowledge of the terms of this Escrow Agreement and that he accepts such securities subject to the conditions of this Escrow Agreement.

5. The Depositors agree that they shall not be entitled to and shall waive all rights to receive cash or property dividends with respect to the escrowed securities while such securities are held in escrow pursuant to this Agreement. This provision shall not apply to dividends in shares of the Issuer or a subsidiary of the Issuer pursuant to a share dividend or split authorized by a vote of the shareholders.

6. Upon declaration of any dividend in shares of the Issuer or a subsidiary to which the escrowed securities are entitled pursuant to a share dividend or split authorized by a vote of the shareholders, the Depositors and the Escrow Agent shall forthwith enter into a Supplemental Escrow Agreement covering such share dividend, which Supplemental Escrow Agreement shall incorporate all the conditions of escrow contained in this Agreement. The shares received as dividend shall be forthwith deposited in escrow with the Escrow Agent pursuant to such Supplemental Escrow Agreement, and the Escrow Agent shall deliver to the Commissioner a receipt for the shares thus escrowed.

7. During the term of escrow, the Depositors shall not be entitled to and hereby waive all rights to participate in any distribution of assets of the Issuer in the event of liquidation, dissolution, or winding up, until the public investors shall have received cash or property in an amount or value equal to the price paid by public investors shall have received cash or property in an amount or value equal to the price paid by public investors for securities purchased by such public investors; and thereafter the Depositors shall participate without the public investors until they shall have received cash or other property in an amount or value equal to the price paid by the Depositors for the escrowed securities; and thereafter the public investors and the Depositors shall participate equally according to the terms of their securities. Any Depositor(s) seeking release of all or any part of his escrowed securities pursuant to this paragraph 7 shall furnish the Commissioner a written statement that none of the escrowed securities nor any interests therein have been sold, transferred or other wise disposed of as a condition of the release from escrow.

8. This Escrow Agreement shall not be construed to prohibit any Depositor from participating in any distribution of securities of any corporation other than the Issuer resulting from the sale of assets of the Issuer or a merger or consolidation of the Issuer with or into any other corporation or corporations. Any such distribution payable in securities of any corporation other than the Issuer paid with respect to the escrowed securities shall be delivered to the Escrow Agent and held pursuant to a Supplemental Escrow Agreement prepared and executed as described in paragraph 7, above. In the event of the merger or consolidation of the Issuer with or into any other corporation or corporations, any securities shall be delivered to the Escrow Agent and held pursuant to a Supplemental Escrow Agreement prepared and executed as described in paragraph 6, above.

9. The Escrow Agent may conclusively rely upon and shall be protected in acting upon any statement, certificate, notice request, consent, order or other document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow Agent shall have no duty or liability to verify any such statement, certificate, notice, request, consent, order or other document and its sole responsibility shall be to act only as expressly set forth in this Escrow Agreement. The Escrow Agent shall be under no obligation to institute or defend any action, suit or proceeding in connection with this Escrow Agreement unless first indemnified to its satisfaction. The Escrow Agent may consult counsel in respect of any question arising under this Escrow Agreement and the Escrow Agent shall not be liable for any action taken or omitted in good faith upon advice of such counsel. All securities held by Escrow Agent pursuant to this Escrow Agreement shall constitute trust property for the purposes for which they are held and the Escrow Agent shall not be liable for any interest thereon.

10. The Escrow Agent shall be entitled to receive from the Company reasonable compensation for its services as contemplated herein. In the event that the Escrow Agent shall render any additional service not provided for herein or that any controversy shall arise hereunder or that the Escrow Agent shall be made a party or shall intervene in any action, suit or proceeding pertaining to this Escrow Agreement, it shall be entitled to receive reasonable compensation from the Company for such additional services.

11. This Escrow Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, successors and assigns.

12. This Escrow Agreement shall terminate in its entirety when all escrowed securities covered hereby and by any Escrow Agreements supplemental hereto have been released as provided in paragraph 1.

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement on the date first above written.

Escrow Agent:

By _____
Its _____

and _____
Its _____

(Corporate Seal)

Depositors:

_____

_____

_____

_____

Issuer:

By _____
Its _____

and _____
Its _____

Accepted for filing:

_____
Commissioner of Securities

Old - 1970

IMPOUNDMENT AGREEMENT

THIS IMPOUNDMENT AGREEMENT made and entered into this _____ day of _____. 19____, by and between _____

_____

(hereinafter called the Issuer), _____

_____

(a national or state) banking association with principal offices in _____ (hereinafter called the Impoundment Agent), and _____ whose address is _____ (hereinafter called the Underwriter);

WITNESS THAT:

WHEREAS, Issuer has applied to the Commissioner of Securities for the State of Minnesota (hereinafter called the Commissioner) for registration of _____ for
(Description of Securities)
sale to the residents of the State of Minnesota; and

WHEREAS, as a condition of registration of such offering under the Securities Laws of the State of Minnesota the Commissioner requires that the Issuer provide for the impoundment of the proceeds to be received from such offering of securities; and

WHEREAS, the Issuer, the Impoundment Agent and the Underwriter desire to enter into an agreement with respect to the said impoundment of proceeds;

NOW, THEREFORE, in consideration of the premises and agreements set forth herein, the parties hereto agree as follows:

1. PROCEEDS TO BE PLACED IN ESCROW:

All proceeds received from the sale of the securities subject to this Impoundment Agreement on or after the date hereof shall be paid to the Impoundment Agent within two business days from the date of sale and deposited by Impoundment Agent in an escrow account. During the term of this Impoundment Agreement, the Issuer and Underwriter shall cause all checks received by them in payment for such securities to be either payable to the Impoundment Agent or endorsed forthwith to the Impoundment Agent.

2. IDENTITY OF SUBSCRIBERS:

The Issuer and Underwriter shall cause to be delivered to the Impoundment Agent two signed counterparts of each Subscription Agreement which shall contain, among other things, the name and address of each subscriber thereto, the date and amount subscribed, and the amount paid, or, in the alternative, shall furnish to the Impoundment Agent with each deposit of funds in the impoundment a list of the persons who have subscribed the money, showing the name, address, date and amount of subscription and amount of money paid. All proceeds so deposited shall remain the property of the subscriber and shall not be subject to any liens or charges by the Impoundment Agent or Underwriter, or judgments or creditors' claims against the Issuer until released to the Issuer as hereinafter provided.

3. DISBURSEMENT OF FUNDS:

Upon the receipt by Impoundment Agent of amounts paid in of not less than $_____, the Impoundment Agent shall forthwith notify the Commissioner in writing of the impoundment of such amounts. Upon receipt by Impoundment Agent of written authorization from the Commissioner, then said Impoundment Agent, on demand of the Issuer, shall pay over to the Issuer all impounded funds. If the specified minimum amount of proceeds have not been impounded during the term of impoundment, then, within three business days after the last day of the term of impoundment, the Impoundment Agent shall notify the Commissioner in writing that the conditions of impoundment have not been satisfied, and shall within a reasonable time, but in no event not more than thirty (30) days after the last day of the term of impoundment, refund to each subscriber at the address appearing on the Subscription Agreement or list of subscribers, or at such other address as shall be furnished the Impoundment Agent by the subscriber in writing, all sums paid by him pursuant to his subscription, and shall then notify the Commissioner in writing of such refund.

4. TERM OF IMPOUNDMENT:

This impoundment shall terminate on the _____ day following the effective date of the registration of the Issuer's securities in the State of Minnesota, unless extended by the consent in writing of the parties hereto and all subscribers to the securities subscribed to date and the Commissioner. Upon termination hereof, whether after extension or otherwise, the Impoundment Agent shall disburse the funds in the impoundment account in the manner and upon the terms directed in paragraph three hereof. The Issuer may abandon the sale of securities anytime prior to the date above. Upon the receipt of a copy of the Resolution authorizing said abandonment, duly attested to by the Secretary of the Issuer, accompanied by the written consent of the Commissioner, Impoundment Agent shall be authorized to refund the monies received from the subscribers.

5. TERMINATION BY REVOCATION OR SUSPENSION:

If at anytime prior to the termination under paragraph four of this impoundment, said Impoundment Agent is advised by the Commissioner that the registration to sell securities has been revoked, said Impoundment Agent shall thereupon return all funds to the respective subscribers.

6. CONSENT OF COMMISSIONER TO RELEASE FUNDS:

No funds shall be released to the Issuer hereunder except upon the express written authorization of the Commissioner. If the Commissioner finds that any conditions of this Agreement have not been satisfied, or that any provisions of the Minnesota Securities Laws or regulations have not been complied with, then he may withhold such authorization for release of funds by the Impoundment Agent to the Issuer and may direct the Impoundment Agent to return the funds to the subscribers. In making his determination hereunder, the Commissioner may require from the Issuer a statement of all expenses and/or all amounts paid into the escrow, certified by an independent certified public accountant and any further financial or other information as the Commissioner may deem appropriate or helpful in making such determination.

7. INSPECTION OF RECORDS:

The Commissioner may, at any time, inspect the records of the Impoundment Agent, insofar as they relate to this Impoundment Agreement, for the purpose of determining compliance with and conformance to the provisions of this Impoundment Agreement.

8. DUTY AND LIABILITY OF THE IMPOUNDMENT AGENT:

The sole duty of the Impoundment Agent, other than as herein specified, shall be to receive said funds and hold them subject to release, in accordance with the written instructions of the Commissioner, and the Impoundment Agent shall be under no duty to determine whether the Issuer is complying with requirements of the Commissioner in tendering to the Impoundment Agent said proceeds of the sale of said securities.

The Impoundment Agent may conclusively rely upon and shall be protected in acting upon any statement, certificate, notice, request, consent, order or other document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Impoundment Agent shall have no duty or liability to verify any such statement, certificate, notice, request, consent, order or other document and its sole responsibility shall be to act only as expressly set forth in this Impoundment Agreement. The Impoundment Agent shall be under no obligation to institute or defend any action, suit or proceeding in connection with this Impoundment Agreement unless first indemnified to its satisfaction. The Impoundment Agent may consult counsel in respect of any question arising under this Impoundment Agreement and the Impoundment Agent shall not be liable

for any action taken or omitted in good faith upon advice of such counsel. All funds held by Impoundment Agent pursuant to this Impoundment Agreement shall constitute trust property for the purposes for which they are held and the Impoundment Agent shall not be liable for any interest thereon.

9. IMPOUNDMENT AGENT'S FEE:

The Impoundment Agent shall be entitled to reasonable compensation for its services. The fee agreed upon for services rendered hereunder is intended as full compensation for the Impoundment Agent's services as contemplated by this Agreement; provided, however, in the event that the conditions of this Impoundment Agreement are not fulfilled, or the Impoundment Agent renders any material service not contemplated in this Agreement, or there is any assignment of interest in the subject matter of this Impoundment Agreement, or any material modification hereof, or if any material controversy arises hereunder, or the Impoundment Agent is made a party to or justifiably intervenes in any litigation pertaining to this Impoundment Agreement, or the subject matter hereof, the Impoundment Agent shall be reasonably compensated for such extraordinary services and reimbursed for all costs and expenses, including reasonable attorney's fees, occasioned by any delay, controversy, litigation or event, and the same may be recoverable from the Issuer only.

10. BINDING AGREEMENT AND SUBSTITUTION OF IMPOUNDMENT AGENT:

The terms and conditions of this Agreement shall be binding on the heirs, executors and assigns, creditors or transferees, or successors in interest, whether by operation of law or otherwise, of the parties hereto. If, for any reason, the Impoundment Agent named herein should be unable or unwilling to continue as such Impoundment Agent, then the other parties to this Agreement may substitute, with the consent of the Commissioner, another Impoundment Agent. Any apportionment of the fees provided for in paragraph nine will be subject to agreement of the parties.

11. ISSUANCE OF CERTIFICATES:

Until the terms of this Agreement have been met and the funds hereunder released to the Issuer, the Issuer may not issue any certificates or other evidences of securities, except subscription agreements.

IN WITNESS WHEREOF, the parties hereto have executed this Impoundment Agreement on the date first above written.

Issuer

By_____

Impoundment Agent

By_____
Its _____
(an authorized signature)

Underwriter or Agent

By_____
Its_____
(an authorized signature)

Accepted for filing:

_____
Commissioner of Securities

FORM U-2

UNIFORM CONSENT TO SERVICE OF PROCESS

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, _____(a corporation organized under the laws of the State of _____) (a partnership) (an individual) (other _____) for the purpose of complying with the laws of the State of _____ relating to either the registration or sale of securities, hereby irrevocably appoints _____, and the successors in such office, its attorney in the State of _____upon whom may be served any notice, process or pleading in any action or proceeding against it arising out of or in connection with the sale of securities or out of violation of the aforesaid laws of said State; and the undersigned does hereby consent that any such action or proceeding against it may be commenced in any court of competent jurisdiction and proper venue within said State by service of process upon said officer with the same effect as if the undersigned was organized or created under the laws of said State and had lawfully been served with process in said State.

It is requested that a copy of any notice, process or pleading served hereunder be mailed to:

_____

(Name and Address)

_____

Dated: _____, 19___.

_____

(Seal)

By _____

Title: _____

By _____

Title: _____

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
) SS.
COUNTY OF _____)

On this_____ day of _____, 19___, before me _____, the undersigned officer, personally appeared _____ and _____, known personally to me to be the___ President and _____ Secretary, respectively, of the above named corporation, and that they, as such officers, being authorized so to do, executed the foregoing instrument for the purposes therein contained, be signing the name of the corporation by themselves as such officers.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

_____

(Notarial Seal)

Notary Public
My commission expires: _____

INDIVIDUAL OR PARTNERSHIP ACKNOWLEDGMENT

STATE OF _____)
) SS.
COUNTY OF _____)

On this_____ day of _____, 19___, before me_____, the undersigned officer, personally appeared _____, to me personally known and known to be the same person(s) whose name(s) is(are) signed to the foregoing instrument, and acknowledged the execution thereof for the uses and purposes therein set forth.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

_____

(Notarial Seal)

Notary Public
My commission expires: _____

SEC-87

FORM U-2A

UNIFORM FORM OF

CORPORATE RESOLUTION

OF

_____

(Name of Corporation)

RESOLVED, that it is desirable and in the best interest of this Corporation that its securities be qualified or registered for sale in various states; that the President or any Vice President and the Secretary or an Assistant Secretary hereby are authorized to determine the states in which appropriate action shall be taken to qualify or register for sale all or such part of the securities of this Corporation as said officers may deem advisable; that said officers are hereby authorized to perform on behalf of this Corporation any and all such acts as they may deem necessary or advisable in order to comply with the applicable laws of any such states, and in connection therewith to execute and file all requisite papers and documents, including, but not limited to, applications, reports, surety bonds, irrevocable consents and appointments of attorneys for service of process; and the execution by such officers of any such paper or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor from this Corporation and the approval and ratification by this Corporation of the papers and documents so executed and the action so taken.

CERTIFICATE

The undersigned hereby certifies that he is the _____ Secretary of _____ , _____, a corporation organized and existing under the laws of the State of _____; that the foregoing is a true and correct copy of a resolution duly adopted at a meeting of the Board of Directors of said corporation held on the _____ day of _____, 19__, at which meeting a quorum was at all times present and acting; that the passage of said resolution was in all respects legal; and that said resolution is in full force and effect.

Dated this _____ day of _____, 19__.

(Copporate Seal)

_____

Secretary

SEC-38

1973

DRAFT NO.
Form No. 170
12-7-73

STATEMENT OF THE ISSUER

M.S. 80A.15 Subd. 2 (h)
$50 FEE REQUIRED

This form is to be prepared and filed pursuant to Minnesota Statutes, 1973, Section 80A.15 Subd. 2 (h), and mailed to:

State of Minnesota
Department of Commerce
Securities Division
Fifth Floor
Metro Square Building
Seventh and Robert Streets
Saint Paul, Minnesota 55101

1. State the name and address of the issuer, and date and state of organization.

2. If the issuer is a foreign corporation, state the name and address of the agent within Minnesota upon whom service of process may be obtained.

3. State the name, address, telephone and position held by the person to whom inquiries pertaining to information herein or notice of objection by the Commissioner of Securities should be directed.

4. State the nature of the business enterprise or enterprises engaged in by the issuer.

5. State whether the issuer of these securities has, within the past five years, made application to register any of its securities with the Minnesota Securities Division. ____ Yes ____ No

6. State the aggregate dollar amount, number of units, price per unit, and set forth a description of the securities to be sold. Set forth the minimum dollar amount which may be purchased by any individual or corporation.

7. State whether commissions will or will not be paid. If commissions are to be paid, indicate the amount of such commissions in dollar amount and as a percentage of the offering price, and identity the persons to whom they will be paid.

8. State the date on which it is proposed to commence the sale of these securities.

9. State the date by which it is proposed to terminate the offering.

10. The issuer proposes to make sales to not more than _____ persons.

11. With reference to the sales of securities made within a twelve-month period preceding the proposed date of the distribution described herein, state the number of sales, the dollar amount paid, the number of shares issued, and the dates of said sales. If exemption for the sale of said securities is claimed, designate the exemption relied upon with specific reference to Minnesota statutes.

12. The issuer, through its authorized agent whose signature appears below, certifies that:

    (a) The information contained in this Statement of Issuer and the Exhibits appended hereto are accurate and complete to the best knowledge and belief of the undersigned.

    (b) The issuer represents that all buyers purchasing the securities within Minnesota are doing so for investment only. In support of this representation, the issuer submits the following evidence that it has required each purchaser to sign a copy of an Investment Letter or other instrument disclosing an investment intent. This letter or other instrument is attached hereto as Exhibit A and the issuer will maintain copies of such letter or instrument in its files and will make said Letter or instrument available to the Securities Division for inspection upon a reasonable request, for a period of three (3) years from the date of the last sale made pursuant to this distribution;

    The issuer will cause all certificates issued pursuant to this distribution to bear the following legend: "The securities represented by the within certificate have not been registered under

Chapter 80 of the Minnesota Securities Laws and may not be sold, transferred or otherwise disposed of for value except pursuant to registration, or operation of law;" or will cause to be placed upon all said certificates language equivalent thereto. Said equivalent language must be specifically approved by the Commissioner of Securities prior to the granting of the exemption requested under M.S. 80A.15 Subd. 2(h).

13. Attach the following Exhibits to this form:

Exhibit A – Investment Letter.
Exhibit B – A copy of the financial or business information to be made available to each prospective purchaser.
Exhibit C – A description of the present capitilization of the issuer and, (1) if a corporation, the names of all officers and all shareholders owning 5% or more of the outstanding common stock, or; (2) if a limited partnership, the name of the general partner and, if a corporate general partner, the names of its officers and all shareholders owning 5% or more of its outstanding common stock.
Exhibit D – A detailed description of the use to which the proceeds of the offering will be applied.
Exhibit E – If a non-resident, a statement that it consents to service of process in Minnesota and designates an agent for the receipt of such service.
Exhibit F – The opinion of issuer's counsel that the issuer is validly organized and authorized to issue the securities to be sold.

THE ISSUER CONSENTS TO PERMIT INSPECTION OF ITS BOOKS, RECORDS, ACCOUNTS, AND FILES BY THE COMMISSIONER OF SECURITIES FOR HIS DESIGNEE WITH REFERENCE TO THE SALE OF SECURITIES DESCRIBED HEREIN, AND AGREES TO PROVIDE THE COMMISSIONER WITH SUCH ADDITIONAL INFORMATION WITH RESPECT TO THE SALE OF THESE SECURITIES AS HE MAY REQUIRE.

The undersigned certifies that he has read the contents of the above form and the Exhibits appended hereto and certifies that he has personal knowledge of the contents hereof and knows the responses set forth are true and accurate.

Dated this_____ day of _____

_____
ISSUER

BY ITS

Subscribed and sworn to before me

this_____ day of _____

FORM BD

UNIFORM APPLICATION FOR REGISTRATION, LICENSE OR MEMBERSHIP AS A BROKER-DEALER OR TO AMEND SUCH APPLICATION UNDER THE SECURITIES EXCHANGE ACT OF 1934, OR UNDER THE LAWS OF CERTAIN JURISDICTIONS (NOTED ON PAGE 7) OR UNDER THE CONSTITUTIONS OR RULES OF THE SELF-REGULATORY ORGNIZATIONS (NOTED ON PAGE 7)

I. General Instructions for Preparing and Filing Form BD

1. This Form is to be used to apply for registration, license, or membership with a number of agencies, jurisdictions, or organizations. A list of these agencies, jurisdictions, or organizations with the respective addresses for filing is included as a separate page following these instructions. Special Instruction Sheets for each agency, jurisdiction, or organization are also needed to complete the Form. They may be obtained from the agency, jurisdiction, or organization to which you are applying and must be read in conjunction with these instructions for each agency, jurisdiction, or organization to which you are applying.

2. ALL PAGES REQUIRING SIGNATURES MUST BE EXECUTED WITH A MANUAL SIGNATURE OF THE APPROPRIATE DULY AUTHORIZED INDIVIDUAL. All information required by Form BD and any Schedule thereunder must be submitted on the prescribed form, or mechanical reproductions thereof. Page 1, however, must contain an original, manual signature for each agency, jurisdiction, or organization. Mechanical reproductions of signatures are not acceptable. All other pages containing correct information may be mechanically reproduced by any method producing clear, legible copies of identical type size. Retain one exact copy for your records.

   Additional copies of Form BD are available at each of the agencies, jurisdictions, or organizations listed on the page following these instructions.

3. If Form BD is filed by a sole proprietor, it shall be signed by the proprietor; if it is filed by a partnership, it shall be signed in the name of the partnership by a general partner; if it is filed by an unincorporated organization or association which is not a partnership, it shall be signed in the name of such organization or association by the managing agent -- i.e., a duly authorized person who directs or manages or who participates in directing or managing its affairs; if it is filed by a corporation, it shall be signed in the name of the corporation by a principal officer duly authorized.

4. If the space provided for any answer on the Form is insufficient, the complete answer shall be prepared on Schedule E which shall be attached to the Form. If the space provided for any answer on the Schedules is insufficient, the answer shall be completed on additional copies of the applicable Schedule which shall also be attached to the Form.

5. Individuals' names, except for executing signatures, shall be given in full wherever required (last name, first name, middle name). The full middle name is required. Initials are not acceptable unless the individual legally has only an initial. If so, indicate this after the initial.

6. A Form BD which is not prepared and executed in compliance with applicable requirements may be returned as not acceptable for filing. However, acceptance of this Form shall not constitute any finding that it has been filed as required or that the information submitted is true, current, or complete.

7. Definitions:

   a. Unless the context or the Special Instruction Sheets for the individual agencies, jurisdictions, or organizations clearly indicate otherwise, all terms used in the Form have the same meaning as in the Securities Exchange Act of 1934 and in the General Rules and Regulations of the Securities and Exchange Commission.

   b. Jurisdiction - Unless the context otherwise requires, "jurisdiction" means a state, a territory, the District of Columbia, the Commonwealth of Puerto Rico, or a province of the Dominion of Canada.

   c. Applicant - Unless the context otherwise requires, "applicant" means the person filing the Form BD, whether as an initial application or amendment to a previously filed Form BD for registration, membership, or license. "Person" in this context is the broker-dealer or person which will be the broker-dealer and not the individual completing the Form unless they are identical. "Applicant" includes a "registrant."

   d. Self-Regulatory Organization - Unless the context otherwise requires, "self-regulatory organization" means any national securities exchange or national securities association registered under the Securities Exchange Act of 1934.

8. The information contained in Form BD is of a continuing nature and must be updated or amended periodically upon the happening of certain events. Consult the Special Instruction Sheets for the agencies, jurisdictions, or organization with which it is to be filed.

9. Although the purpose of Form BD is to bring as much uniformity and resultant simplicity to the registration of broker-dealers as possible, some jurisdictions or organizations require information in addition to that required in Form BD and may have supplementary requirements for the completion of the Form. Therefore, consult the Special Instruction Sheets for each agency, jurisdiction, or organization with which this Form is to be filed.

II. Instructions Relating to Filing Form BD as an APPLICATION

10. If Form BD is being filed as an application for registration, all applicable items must be answered in full and all supplemental information for each agency, jurisdiction, or organization with which the Form is to be filed must be supplied for that agency, jurisdiction, or organization. If any item is not applicable, indicate by "none" or "N/A" as appropriate.

III. Instructions Relating to AMENDING Form BD

11. If the information contained in Form BD after it is filed as an application, or in any supplement or amendment thereto, is or becomes inaccurate for any reason, an amendment must be promptly filed at specified times for each agency, jurisdiction or organization.

12. Where an item is being amended only those items which are being amended or which have changed since the previous filing need be filed, except that a completed page 1, manually signed must be filed with each amendment. WHEN ANY ITEM ON A PAGE IS AMENDED, IT IS NECESSARY TO ANSWER ALL OTHER ITEMS ON THE PAGE BEING AMENDED.

IV. Instructions as to SPECIFIC ITEMS on Form BD

13. Item 1 - Indicate the agency, jurisdiction, or organization with which this copy of page 1 is to be filed and whether the Form is filed as an application or amendment for that agency, jurisdiction, or organization.

14. Item 2(a) - Check all agencies, jurisdictions, or organizations

with which you are registered or with which you are currently registering. Indicate each agency, jurisdiction, or organization with the appropriate code number in the space provided. CODE NUMBERS: If currently applying, insert number 1; if application is pending, insert number 2; if already registered, insert number 3. If applicant is, or is to be, a clearing member of any organization, insert the letter "C" after the number. Note: This item is to be periodically updated only when page 1 is otherwise filed. Do not update this item alone.

15. Item 2(b) - Include a street address; post office box numbers alone are not acceptable.

16. Item 4 - Item 4 must include an original manual signature.

17. Item 7 - State your current legal residence address.

18. Item 8(a) - If this Form is filed as an application by a broker-dealer on behalf of a successor not yet formed or organized, the information furnished shall relate to the successor to be formed. The Form shall be executed by the predecessor. Section 15(b) of the Securities Exchange Act of 1934 and Rule 15b2-1 (17 CFR § 240.15b2-1) provide that registration shall terminate on the forty-fifth day after the effective date unless prior thereto the successor shall adopt the application as its own. This procedure cannot be used where the successor is a sole proprietor.

19. Item 8(b) - If a registered partnership is dissolved and a new one is created to continue the business of the old one, the new partnership must file a new or successor application as a broker-dealer.

20. Item 10 - Check your answers to Items 2(b), 8, 9 and the related Schedules for the names of all persons who are covered by any of the subsections of Item 10. Similarly, any persons who directly or indirectly control or are controlled by the applicant are covered by Item 10. For each affirmative answer list the persons involved on a schedule D and give full details of any of these incidents, including, for example, the parties involved, time and place, subject matter, and the outcome of the proceedings.

21. Item 12 - Refer to Schedule D and Instruction 23.

V. Instructions Relating to SCHEDULES

22. Schedule A - Schedule A is for Corporations.

23. Schedule B - Schedule B is for Partnerships.

24. Schedule C - Schedule C is to be completed only by organizations or associations which are not sole proprietors, corporations, or partnerships.

25. Schedule D - Schedule D is to be filed for two classes of persons:
(a) Each natural person named in Items 2(b), 8, and 9 or any Schedule thereunder, except that Schedule D need not be furnished for any person who meets both the following conditions: (1) he owns less than 10% of any class of equity security of applicant, and (2) he is not an officer, director or person with similar status or functions; and
(b) Each person subject to any action reported under Item 10.

"Person" in (a) includes only natural persons. "Person" in (b) includes corporations, partnerships, and other organizations, as well as natural persons. If the "person" is other than a natural person, complete only Parts I, II, and VII of Schedule D. Note: The agencies, jurisdictions, and self-regulatory organizations may require the filing of a separate form (for example Form U-4) concerning officers, directors, and associated persons. Schedule D is to be filed in addition to and not in lieu of such additional form.

26. Schedule E - Schedule E may be used (1) where the space provided for any answer on the Form is insufficient; or (2) in response to all items in the Form which require the submission of Schedule E. Schedule E should not be used where the space on any Schedule is insufficient. In that case use additional copies of the applicable Schedule.

27. Schedule F - Schedule F is to be completed only if and to the extent required by the Special Instruction Sheet(s) of the jurisdiction(s) to which you are applying. The Special Instruction Sheets will indicate what items are to be completed for each jurisdiction.

28. Key to State Abbreviations

AL - Alabama
AK - Alaska
AZ - Arizona
AR - Arkansas
CA - California
CO - Colorado
CT - Connecticut
DE - Delaware
DC - District of Columbia
FL - Florida
GA - Georgia
HI - Hawaii
ID - Idaho
IL - Illinois
IN - Indiana
IA - Iowa
KS - Kansas
KY - Kentucky
LA - Louisiana
ME - Maine
MD - Maryland
MA - Massachusetts
MI - Michigan
MN - Minnesota
MS - Mississippi
MO - Missouri
MT - Montana
NE - Nebraska
NV - Nevada
NH - New Hampshire
NJ - New Jersey
NM - New Mexico
NY - New York
NC - North Carolina
ND - North Dakota
OH - Ohio
OK - Oklahoma
OR - Oregon
PA - Pennsylvania
RI - Rhode Island
SC - South Carolina
SD - South Dakota
TN - Tennessee
TX - Texas
UT - Utah
VT - Vermont
VA - Virginia
WA - Washington
WV - West Virginia
WI - Wisconsin
WY - Wyoming
PR - Puerto Rico

/End of Instructions/

/There would be inserted at this point a list of each of the agencies, jurisdictions, and organizations with which this Form may be filed and the correct mailing address for each./

FORM BD

UNIFORM APPLICATION FOR REGISTRATION, MEMBERSHIP, OR LICENSE AS A BROKER-DEALER OR TO AMEND SUCH AN APPLICATION UNDER THE SECURITIES EXCHANGE ACT OF 1934, OR UNDER THE LAWS OF THE JURISDICTIONS OR UNDER THE CONSTITUTIONS AND RULES OF THE SELF-REGULATORY ORGANIZATIONS ACCEPTING THIS FORM

General: Read all instructions before preparing the Form. Read the Special Instruction Sheets for each agency, jurisdiction, or self-regulatory organization with which this Form is to be filed. Please print or type all responses.

If this Form is filed as an amendment, only a completed and signed Page 1 and those items which are being amended or which have changed since the previous filing need to be filed.1/

1/ In printed format, it is anticipated that page 1 of Form BD would end with the signature in Item 4.

IN COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS OR MEMBERSHIP REQUIREMENTS, THE UNDERSIGNED HEREBY SUBMITS THE FOLLOWING INFORMATION:

1. This Form is filed with _____
name of agency, jurisdiction or organization

as an: APPLICATION _____ AMENDMENT _____

2. (a) The undersigned is filing or has filed its application for registration, membership, or license as a broker-dealer with the following:

(Place a code number after each applicable agency, self-regulatory organization, or jurisdiction in accordance with the following code numbers: If currently applying, insert number 1; if application is pending, insert number 2; if already registered, insert number 3. If you are, or are to be, a clearing member of any of the self-regulatory organizations, insert the letter "C" after the number.)

AL ___	CT ___	ID ___	LA ___	MS ___	NJ ___	OK ___	TN ___	WV ___
AK ___	DE ___	IL ___	ME ___	MO ___	NM ___	OR ___	TX ___	WI ___
AZ ___	DC ___	IN ___	MD ___	MT ___	NY ___	PA ___	UT ___	WY ___
AR ___	FL ___	IA ___	MA ___	NE ___	NC ___	RI ___	VT ___	PR ___
CA ___	GA ___	KS ___	MI ___	NV ___	ND ___	SC ___	VA ___	
CO ___	HI ___	KY ___	MN ___	NH ___	OH ___	SD ___	WA ___	

SEC ___	SECO ___
NASD ___	
AMER. STK. EXCH. ___	
BOST. STK. EXCH. ___	
CHI. BOARD OF TRADE ___	
CHI. BOARD OPTIONS EXCH. ___	
CINCINNATI STK. EXCH. ___	
DETROIT STK. EXCH. ___	
INTERMOUNTAIN STK. EXCH. ___	
MIDWEST STK. EXCH. ___	
NEW YORK STK. EXCH. ___	
PACIFIC STK. EXCH. ___	
PBW STK. EXCH. ___	
SPOKANE STK. EXCH. ___	

(b) Exact name, principal business address, mailing address if different, and telephone number of applicant:

_____
Name (if sole proprietor, state last, first and middle)

_____
Previous name, if name of business is hereby amended.

_____
IRS Empl. Ident. No.

_____

WARNING: Failure to keep this form current and to file accurate supplementary information on a timely basis and the failure to keep accurate books and records or otherwise to comply with the provisions of law applying to the conduct of business as a broker-dealer would violate the Federal securities laws and the laws of the jurisdictions and may result in disciplinary, administrative or injunctive action. INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS MAY CONSTITUTE CRIMINAL VIOLATIONS.

Number and Street City State

Mailing address (if different)

(Area Code) Telephone Number WATS Line (if any)

(c) Applicant is a:

Corporation _____ Partnership_____ Sole Proprietor_____

Other_____ _____
(Specify)

3. Name under which business is conducted, if different from Item 2(b):

4. (a) Person to contact for further information concerning this Form:

Name Title

Mailing Address

(Area Code) Telephone No.

(b) Person authorized to receive compliance and information communications, and who is responsible for disseminating the same within the applicant's organization:

_____
Address

_____
(Area Code) Telephone No.

_____

(b) DATE_____, 19____

_____
Name of Applicant

By_____
Signature and Title

Attest_____
Signature and Title

STATE OF_____)
)SS
COUNTY OF_____)

EXECUTION

The undersigned, being first duly sworn, deposes and says that he has executed this Form on behalf of, and with the authority of, said applicant, and that the information and statements contained herein, including exhibits attached hereto and other information filed herewith, all of which are made a part hereof, are current, true, and complete. The undersigned further represents that to the extent that any information previously submitted is not amended, such information is currently accurate and complete.

_____
Signature

Subscribed and sworn to before me this _____ day of _____, 19____

(NOTARIAL SEAL) _____
Notary Public

My commission expires _____

5. If applicant is a corporation:

1. Date and place of incorporation: _____
Month Day Year

_____
State

2. List below each class of equity security:

	Voting	Non-Voting
_____	( )	( )
_____	( )	( )

6. (a) Is applicant a successor to a registered broker-dealer and taking over all or substantially all of the assets and liabilities and continuing the business of a registered broker-dealer?

Yes_____ No____

If "yes" state:

(1) Date of Succession: _____

(2) Full name and IRS Empl. Ident. No. of predecessor:

_____ _____
Full Name IRS Empl. Ident. No.

_____
SEC Registration Number
(if any)

(b) Has applicant merged with or acquired another registered broker-dealer? If "yes", describe briefly on Schedule E.

Yes____ No____

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed page one. No Schedule required by any item on this page need be filed with an amended item unless the Schedule itself is amended.

7. If applicant is a sole proprietor, state full residence address and social security number.

Number and Street City State Zip Code

Social Security Number

8. (a) If applicant is a corporation, complete Schedule A.

(b) If applicant is a partnership, complete Schedule B.

(c) If applicant is other than a sole proprietor, partnership, or corporation, complete Schedule C.

9. (a) Does any person not named in Items 2(b) and 8, or any Schedule thereunder, directly or indirectly through agreement or otherwise, exercise or have the power to exercise a controlling influence over the management or policies of applicant?

Yes_____ No_____

If "yes", state on Schedule E the exact name of each person (if individual, state last, first, and middle names) and describe the agreement or other basis through which such person exercises a controlling influence.

(b) Is the business of applicant wholly or partially financed directly or indirectly, by any person not named in Items 2(b) and 8, or any Schedule thereunder in any manner other than by: (1) a public offering of securities made pursuant to the Securities Act of 1933; (2) credit extended in the ordinary course of business by suppliers, banks and others; or (3) a satisfactory subordination agreement, as defined in Rule 15c3-1 under the Securities Exchange Act of 1934 (17CFR § 240.15c3-1)?

Yes_____ No_____

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If "yes", state on Schedule E the exact name (last, first, middle) of each person and describe the agreement or arrangement through which such financing is made available including the amount thereof.

10. (a) State whether the applicant, any person named in Items 2(b), 8, and 9 or any Schedule thereunder, or any other person directly or indirectly controlling or controlled by the applicant, including any employee:

(i) Has been found by the Securities and Exchange Commission or any jurisdiction to have made or caused to be made any statement which was, at the time and in the light of the circumstances under which it was made, false and misleading with respect to any material fact, or to have omitted to state any material fact which was required to be stated, in any application for registration or report required to be filed under the Federal securities laws or under the securities laws of any jurisdiction, or in any proceeding before the Securities and Exchange Commission or any jurisdiction relating to securities or the conduct of business as a broker-dealer or investment adviser or associated person thereof.

Yes_____ No_____

(ii) Has been convicted within 10 years of any felony or misdemeanor (1) involving the purchase or sale of any security; (2) arising out of the conduct of the business of a broker, dealer, or investment adviser; (3) involving embezzlement, fraud, or misappropriation of funds or securities; or (4) involving violation of Sections 1341, 1342, or 1343 of Title 18 United States Code (mail fraud, fraud by wire, including telephone, telegraph, radio or television) or similar provisions of the

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Dominion of Canada; or has pleaded nolo contendre to any such felony or misdemeanor.

Yes_____ No_____

(iii) Is enjoined permanently or within the past 10 years has been enjoined temporarily by order, judgment or decree of any court from acting as an investment adviser, underwriter, broker, or dealer, or as an associated person or employee of any of the foregoing or as an associated person or employee of any investment company, bank, or insurance company, or from engaging in or continuing any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security or arising out of any securities or investment advisory activities.

Yes_____ No_____

(iv) Has been found by the Securities and Exchange Commission or any jurisdiction or any court to have violated or to have aided, abetted, counselled, commanded, induced, or procured the violation by any other person of the Federal laws or the laws of any jurisdiction relating to securities or relating to the conduct of business as a broker, dealer or investment adviser, any rule or regulation under any of such laws, or any rule of any self-regulatory organization, or to have failed reasonably to supervise another person who committed such a violation.

Yes_____ No_____

(v) Has been the subject of an order of the Securities and Exchange Commission entered pursuant to paragraph (7) of Section 15(b) of the Securities Exchange Act of 1934, as amended, or an order of a court or agency of any jurisdiction, barring or suspending the right of such person to be associated with a broker or dealer.

Yes _____ No_____

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed page one. No Schedule required by any item on this page need be filed with an amended item unless the Schedule itself is amended.

(vi) Has been denied membership or registration with or has been suspended, revoked or expelled from membership or registration with any self-regulatory organization; or has been suspended or barred from being associated with any member of such self-regulatory organization.

Yes_____ No_____

(vii) Has been found to have been a cause of the denial, suspension, or revocation of any person's membership or registration with any self-regulatory organization or the expulsion of any person from any such organization.

Yes_____ No_____

(viii) Has been denied registration (license) with or suspended, revoked or expelled from registration (license) with the Securities and Exchange Commission or any jurisdiction (or any agency thereof) as a broker, dealer, investment adviser, securities salesman, or as a person associated with a person engaged in such business.

Yes_____ No_____

(ix) Has been the subject of any order, judgment, decree or other sanction of a foreign court, foreign exchange, or foreign governmental or regulatory agency arising out of any securities or investment advisory activities.

Yes_____ No_____

(x) Has been, within the past 10 years, the subject of any cease and desist, desist and refrain, prohibition, or similar order which was issued by the United States or any jurisdiction arising out of the conduct of the business of a broker-dealer or investment adviser.

Yes_____ No_____

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(xi) Has been associated at any time as an officer, director, general partner, or owner of 10 percentum or more of the voting securities or has at any time directly or indirectly through agreement or otherwise exercised or had the power to exercise a controlling influence over the management or policies of a broker or dealer for which a trustee has been appointed pursuant to the Securities Investor Protection Act of 1970 or which has been adjudicated bankrupt.

Yes_____ No_____

(b) For purposes of part (b), the terms the "Act", the "CEA", the "Secretary", the "CEC" and the "CFTC" mean, respectively, the Commodity Exchange Act, as amended, the Commodity Exchange Authority, the Secretary of Agriculture, the Commodities Exchange Commission and the Commodities Futures Trading Commission, and the terms "contract of sale", "commodity", "future delivery", "contract market", "futures commission merchant", "floor broker", "commodity trading adviser", "commodity pool operator" and "national futures association" have the meanings provided in the Act. State whether the applicant, any person named in Items 2(b), 8, and 9, or any Schedule thereunder, or any person, directly or indirectly controlling or controlled by the applicant, including any employee:

(i) Has been found by the Secretary, the CEA, the CEC, the CFTC, or any jurisdiction to have made or caused to be made any statement which was, at the time and in the light of the circumstances under which it was made, false and misleading with respect to any material fact, or to

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have omitted to state any material fact which was required to be stated in any application for registration or report required to be filed with the CEA, the Secretary, the CEC, the CFTC, or any jurisdiction under the Act, or the commodities laws of any jurisdiction or in any proceeding before the CEA, the Secretary, the CEC, the CFTC, or any jurisdiction.

Yes_____ No_____

(ii) Has been convicted, within the past 10 years, of any felony or misdemeanor (A) involving the purchase or sale of contracts of sale of a commodity for future delivery, (B) involving embezzlement, fraud or misappropriation of funds or contracts of sale of a commodity for future delivery or (C) arising out of the conduct of the business of a futures commission merchant, floor broker, commodity trading adviser, commodity pool operator, contract market or as a member of a national futures association; or has pleaded nolo contendre to any such felony or misdemeanor.

Yes_____ No_____

(iii) Is enjoined permanently or within the past ten years has been enjoined temporarily by order, judgment, or decree of any court of the United States or any jurisdiction from acting as a futures commission merchant, floor broker, commodity trading adviser, commodity pool operator, contract market or member of a national futures association or as an associated person or employee of any of the foregoing or from engaging in or continuing any conduct or practice in connection with any such activity or in connection with the purchase or sale of contracts for future delivery of a commodity or arising out of any commodity trading or commodity advisory activities.

Yes_____ No_____

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(iv) Has been denied registration (license) with or suspended, revoked or expelled from registration (license) with the CEA, the Secretary, the CEC, the CFTC, any contract market, any national futures association, or any jurisdiction, or has been barred from engaging in business as a futures commission merchant, floor broker, commodity trading adviser, commodity pool operator, contract market or member of a national futures association or from being associated with any person engaged in any such business.

Yes_____ No_____

(c) State whether the applicant, any person named in Items 2(b), 8, and 9, or any Schedule thereunder, or any other person directly or indirectly controlling or controlled by the applicant including any employee is presently the subject of any proceedings in which an adverse decision would result in any of the foregoing questions in (a) or (b) being answered "yes."

Yes_____ No_____

If this is an initial application and the answer to any paragraph of this item is "yes", explain on Schedule D. If this is an amended application and any answer has been changed, explain on Schedule E.

11. Each agency, jurisdiction, or self-regulatory organization in which applicant is or is to be a member or with which the applicant is or is to be licensed, or registered or to which application has been made should be listed in Item 2(a) on page 4. If any license, registration, or membership listed therein is of a restricted nature or has been suspended or terminated, or withdrawn or voluntarily terminated explain fully on Schedule E.

12. Complete a separate Schedule D for each appropriate person in accordance with the instructions thereon and instruction 23 to this Form.

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed page one. No Schedule required by any item on this page need be filed with an amended item unless the Schedule itself is amended.

13. Does applicant:

(a) Have any arrangement with any other person, firm or organization under which:

(1) any of the accounts or records of applicant are kept or maintained by such other person, firm, or organization?

Yes_____ No_____

(2) Such other person, firm or organization (other than a bank or satisfactory control location as defined in paragraph (c) of Rule 15c3-3 under the Securities Exchange Act of 1934, 17CFR § 240.15c3-3) holds or maintains funds or securities of applicant or any of its customers?

Yes_____ No_____

(b) Have any arrangement with any other broker or dealer under which the applicant refers or introduces customers to such other broker or dealer?

Yes_____ No_____

If the answer to any paragraph of this item is "yes", furnish as to each such arrangement the full name and principal business address of the other person, firm, or organization, and a summary of the arrangements on Schedule E.

14. (a) Does applicant control or is applicant controlled directly or indirectly by any partnership, corporation, or other organization engaged in the securities or investment advisory business? If "yes", state full name and principal business address of such organization and describe the nature of control on Schedule E.

Yes_____ No_____

(b) Is applicant registered (or have application pending) as an investment adviser?

Yes_____ No_____

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15. Check types of business engaged in (or to be engaged in, if not yet active) by applicant. Do not check any category which accounts for or is expected to account for less than 10% of annual gross revenue from the securities business.

(a) Exchange member engaged in exchange commission business. . . . . ( )

(b) Exchange member engaged in floor activities . . . . . ( )

(c) Broker or dealer making inter-dealer markets in corporate securities over-the-counter. . . . . .( )

(d) Broker or dealer retailing corporate securities over-the-counter. . . . . ( )

(e) Underwriter or selling group participant (corporate securities other than mutual funds). . . . . .( )

(f) Mutual fund underwriter or sponsor. . . . . ( )

(g) Mutual fund retailer. . . . . ( )

(h) Government or municipal bond dealer. . . . . .( )

(i) Broker or dealer selling variable life insurance or annuities. . . . . ( )

(j) Solicitor of savings and loan accounts. . . . . ( )

(k) Real estate syndicator. . . . . ( )

(l) Broker or dealer selling oil and gas interests. . . . . ( )

(m) Put and call broker or dealer or option writer. . . . . ( )

(n) Broker or dealer selling securities of only one issuer or associated issuers (other than mutual funds) .( )

(o) Broker or dealer selling securities of non-profit organizations (e.g., churches,hospitals). . . . . ( )

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(p) Investment adviser. . . . . ( )

(q) Broker or dealer selling tax shelters or limited partnerships. . . . . ( )

(r) Mortgage broker or banker . . . . . ( )

(s) Other (give details on Schedule E). . . . . ( )

16. (a) Does applicant effect transactions in commodity futures, commodities or commodity options as a broker for others or dealer for its own account?

Yes_____ No_____

(b) Does applicant engage in any other non-securities business? If "yes" describe such other business briefly on Schedule E.

Yes_____ No_____

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed page one. No Schedule required by any item on this page need be filed with an amended item unless the Schedule itself is amended.

SCHEDULE A OF FORM BD - FOR CORPORATIONS

(Answers in response to Item 8(a) page)

File No.	IRS Empl. Ident. No.

I. Full name of applicant exactly as stated in Item 2(b) of Form BD.

_____

II. Name under which business is conducted if different:

_____

Date as stated in ITEM 4(c) of FORM BD accompanying this Schedule

III. Complete and mark appropriate columns for (a) officers, directors, and persons with similar status or functions; and (b) any other person who is, directly or indirectly, the beneficial owner of 1% or more of the authorized shares of any class of equity security of applicant unless the applicant is a corporation filing reports pursuant to Section 12(g) of the Securities Exchange Act of 1934 (or a corporation which is exempted pursuant to Subsections (g)(2)(B) or (g)(2)(G) thereof) in which case any other person who is, directly or indirectly, the beneficial owner of 5% or more of the authorized shares of any class of equity securities of applicant. Place an asterisk (*) after the names of the persons for whom a change in title, status, or stock ownership is being reported. Place a double asterisk (**) after the names of persons which are ADDED to those furnished in the most recent previous filing. Designate percentage of ownership as follows: If none, enter "none"; above 0% to less than 1%, enter "A"; 1% to less than 5%, enter "B"; 5% to less than 10%, enter "C"; 10% to less than 25%, enter "D"; 25% to less than 50%, enter "E"; 50% to less than 75%, enter "F"; 75% to 100%, enter "G".

FULL NAME			RELATIONSHIP					
			Beginning Date		Title or	Social Security	Percentage of	Class
Last	First	Middle	Mo.	Yr.	Status	Number	Ownership	

IV. List below names reported in the most recent previous filing pursuant to this Item which are DELETED hereby:

FULL NAME			ENDING DATE		Social Security
Last	First	Middle	Mo.	Yr.	Number

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed page one.

SCHEDULE B OF FORM BD - FOR PARTNERSHIPS

(Answers in response to Item 8(b) page)

Date as stated in ITEM 4(c) of FORM BD accompanying this Schedule.

I. Full name of applicant exactly as stated in Item 2(b) of Form BD.

II. Name under which business is conducted if different:

III. List all general, limited, and special partners. For each partner, complete and mark appropriate columns below. Place an asterisk (*) after the name of the persons for whom a change in title, status, or partnership interest is being reported. Place a double asterisk (**) after the names of persons which are ADDED to those furnished in the most recent previous filing. Designate percentage of capital contribution as follows: If none, enter "none"; above 0% to less than 1%, enter "A"; 1% to less than 5%, enter "B"; 5% to less than 10%, enter "C"; 10% to less than 25%, enter "D"; 25% to less than 50%, enter "E"; 50% to less than 75%, enter "F"; 75% to 100%, enter "G".

FULL NAME Last	First	Middle	Beginning Date Mo.	Yr.	Type of Partner	Social Security Number	Percent of Capital Contribution

IV. List below names reported in the most recent previous filing pursuant to this item which are DELETED hereby:

FULL NAME Last	First	Middle	ENDING DATE Mo.	Yr.	Social Security Number

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed page one.

SCHEDULE C OF FORM BD - FOR APPLICANTS OTHER THAN SOLE PROPRIETORS, CORPORATIONS AND PARTNERSHIPS

(Answers in response to Item 8(c) page)

Date as stated in ITEM 4(c) of FORM BD accompanying this Schedule.

I. Full name of applicant exactly as stated in Item 2(b) of Form BD

II. Name under which business is conducted if different:

III. List below any person, including a trustee, who directs, manages, or participates in directing or managing the affairs of the applicant. As to each person listed below, state his title or status and describe the nature of his authority and his beneficial interest in the applicant. Place an asterisk (*) beside the names of persons for whom a change in title, status, or interest is being reported. Place a double asterisk (**) after the names of persons which are ADDED to those furnished in the most recent previous filing.

FULL NAME Last	First	Middle	Beginning Date Mo.	Yr.	Title or Status	Social Security Number	Description of Authority and Beneficial Interest

IV. List below names reported in the most recent previous filing pursuant to this item which are DELETED hereby:

FULL NAME Last	First	Middle	ENDING DATE Mo.	Yr.	Social Security Number

If any item on this page is amended, you must answer in full other items on this page and file with a completed and signed page one.

SCHEDULE D OF FORM BD

(Answers in response to Item 12 of page)

NOTE: (a) Complete a separate Schedule D for each natural person named in Items 2(b), 8, and 9 or any Schedule thereunder except that Schedule D need not be furnished for any person who meets both the following conditions: (1) he owns less than 10% of any class of equity security of applicant and (2) he is not an officer, director, or person with similar status or functions.

(b) Complete a separate Schedule D for each person subject to any action reported under Item 10.

(c) State all names in the order of last name, first name, full middle name. If any person legally has only an initial, so indicate after the initial.

I. Full name of applicant exactly as stated in Item 2(b) of Form BD:

II. Full name of person for whom this Schedule is being completed:

IRS Empl. Ident. No. or Soc. Sec. No.	

III. Residence address of person: (Number and Street, City, State, ZIP Code)

Date of Birth			City of Birth	State or Province	Country
Mo.	Day	Yr.			

IV. NAMES USED: Furnish below a list of all names individual has been known by or has used including maiden name if applicable. If no other names have been used, state "None."

Last	First	Middle

V. EDUCATION: Furnish below a description of the education for the person named in Part II of this Schedule (including name and location of last high school attended, name and location of any college or university attended, degree received, and year received).

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed page one.

SCHEDULE D OF FORM BD
continued

VI. BUSINESS BACKGROUND: Furnish below a complete, consecutive statement of all business experience and employment for the past ten years. List the last position first. If none, state "None".

NAME OF FIRM AND ADDRESS	KIND OF BUSINESS	EXACT NATURE OF CONNECTION OR EMPLOYMENT	BEGINNING DATE MO.	BEGINNING DATE YR.	END DATE MO.	END DATE YR.

VII. PROCEEDINGS: If any answer to any paragraph of Item 10 is "yes" with respect to the person for whom this Schedule is being completed, furnish the following details.

Applicable Paragraph and Question No. of Item 10	TITLE OR DESCRIPTION OF ACTION	NAME AND LOCATION OF COURT, AGENCY, JURISDICTION, OR SELF-REGULATORY ORGANIZATION	NATURE AND DATE OF AND DISPOSITION OF PROCEEDING

Date as stated in ITEM 4(c) of FORM BD accompanying this Schedule.

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed page one.

SCHEDULE E OF FORM BD

Do not use this Schedule as a continuation sheet for Schedules A, B, C, and D.

I. Full name of applicant exactly as stated in Item 2(b) of Form BD.

Item of Form	Answer

If any item on this page is amended, you must answer in full all other items on this page and file with a completed and signed page one.

SCHEDULE F OF FORM BD Supplemental State Information

Supplemental State Information for State of _____.

Answer only those Items required in the Special Instruction Sheet for this state.

Full name of applicant exactly as stated in Item 2(b) of Form BD.

_____

1. Admission of foreign corporation in state of application.

(a) Have you applied for or been admitted to do business in the state?

Yes __ No __

(b) (i) If "yes", give date of admission _____, or (INCLUDE CERTIFICATE WHERE REQUIRED)

(ii) Date of application _____

(c) Is the applicant "in good standing" in its state of incorporation?

Yes __ No __

2. Broker-dealer bond.

(a) Attached is the required surety bond in the penal amount of $_____.

(b) Attached is a form indicating:

1. Cash deposited in a satisfactory depository in the amount of $_____.
2. Certificates of deposit, deposited in a satisfactory depository in the amount of $_____.
3. Securities deposited in a satisfactory depository in the amount of $_____.
4. Other: Explain _____

(c) Applicant claims exemption from the bond requirement. (Explain and attach evidence showing circumstances which relieve applicant from obtaining bond.)

(d) 1. Has the applicant ever been refused a bond by a surety company?

Yes __ No __

2. Has the applicant ever been the subject of a surety bond payment?

Yes __ No __

If "yes", attach explanation.

SCHEDULE F FORM BD
continued

3. Financial reports. (Indicate with an "X" the statements submitted.)

(a) Attached is our latest certified financial statement ___
(b) Attached is our latest Joint Regulatory Report of FOCUS Report ___
(c) Attached is our latest unaudited financial statement ___
(d) Attached is our latest financial statement on the form provided by the state in which application is being made ___

All financial statements must be accompanied by the net capital and net capital to aggregate indebtedness ratio computations as of the same date as those reports.

(e) Attached are _____ copies as required.
(f) Attached are copies of all currently effective subordination agreements. (If all are similar in form, attach 1 copy and a schedule of the name, address, and dollar value of the subordinated items for each lender on each agreement.)

4. As to officers, directors, shareholders, partners, and proprietors

	Check Whether Applicable	Check Whether Non Applicable
(a) Supply a list of all persons who will engage in the supervision of salesmen in this state		
(b) Submit a statement of the limitations of liability		
(c) Submit photograph(s) which has been taken within the preceding six months		
(d) Submit fingerprints in a form acceptable to this state		
(e) Supply a list of all salesmen to be registered or licensed in this state		

5. Documents and other information:

(a) If applicant is a corporation, attached are:

Articles ___ By-Laws ___ Amendments ___ Certification ___

(b) (i) If applicant is a partnership, attached are:

Articles ___ By-Laws ___ Amendments ___

(ii) Certificate was filed in _____ (state), _____ (county) on _____ (date) under _____ (state) Public Act No. _____, _____ (year).

SCHEDULE F FORM BD
continued

(iii) The effective date of the partnership agreement is _____.

(c) If applicant is a sole proprietor, attached are:

(i) A copy of the assumed name certificate (if not applicable, so state) _____.

(ii) This certificate was obtained in _____ (state) on _____ (date).

(d) Attached are the following records, forms, and schedules:

Confirmation forms	___	Letters of recommendation	___
Receipt and delivery forms	___		
Customer agreement forms	___	Corporate Resolution	___
Position records	___		
Monthly statements	___		
Written supervisory procedures	___		
Executed consent to service of process (Form U-2 and U-2A, if applicable)	___		

(e) Applicant's fiscal period begins _____ and ends _____.

6. Offices in the state of application.

	Address	Name of Person in Charge
Principal Office:	_____	_____
Branch Offices:	_____	_____

7. Filing fee in the amount of $ _____ is attached.

8. State whether the applicant:

(a) Had a judgment or order entered against him in any civil or administrative proceeding in which fraud was an element other than those previously described in Form BD

Yes __ No __

(b) Has presently pending any criminal complaint or indictment against him.

Yes __ No __

(c) Has any unsatisfied judgments outstanding, including against any officer, director, or partner.

Yes __ No __

Form U-4

Uniform Application for Securities and Commodities Industry Representative and/or Agent

GENERAL INSTRUCTIONS FOR PREPARING AND FILING FORM U-4

1. This form is to be used to apply for registration, licensing, or for certain types of financial participation in broker/dealer firms. It is accepted by a number of agencies, jurisdictions, and/or organizations.

2. All information must be typed or neatly printed in BLACK INK.

3. In examining the form, you will note that there are two sets of boxes. The larger elongated boxes should be left blank.

4. Part of the questions to be answered, pages 1, 2 and 4 require a statement of applicant's name and/or signature. On page three the applicant's name must be specifically typed and signed at the bottom of the page.

5. All questions on the form must be answered unless specifically directed otherwise by a receiving organization. Failure to do so will cause the agency, jurisdiction or organization to which the form is filed to return it unprocessed and thus delay registration and increase cost.

6. All attachments must be submitted in the same format as the questions to which response is made, and should be typewritten on 8½ by 11 bond paper.

7. For the purposes of this form, the term jurisdiction means a state, a territory, the District of Columbia, the Commonwealth of Puerto Rico, or a province of the Dominion of Canada.

8. The purpose of Form U-4 is to bring uniformity and resultant simplicity to the registration and licensing of principals, representatives and/or agents. Therefore, it is essential that each applicant consult the following instructions before completing questions 13-55.

All information required by Form U-4 must be submitted on the officially prescribed form, or mechanical reproduction thereof. All pages containing this information may be mechanically reproduced by any method producing clear, legible copies of identical type size. *All required signatures must be originals; mechanical reproductions of signatures will not be accepted.*

Instructions for Completing Uniform Application for Securities and Commodities Industry Representative and/or Agent (Form U-4)

Questions #1 – 12 MUST BE COMPLETED BY THE EMPLOYER

Questions #1 & 2:
Fill in applicant's full legal name (indicate Mr. or Ms.) and social security number.

Question #3:
Give date applicant first started employment with your firm.

Question #4:
Give the firm's computerized NASD identification number (if known and applicable).

Questions #5 & 6:
Give complete name of your organization and the address of the firm's main office. (Including zip code)

Question #7:
Give address of the office in which applicant will be employed.

Question #8:
Identify city of NASD district office having jurisdiction over the applicant's office of employment (does not apply to non-NASD member organizations).

Question #9:
Check whether applicant will be registered with: 1) the NASD, or 2) SECO. Also, check all applicable boxes which correctly indicate the registered national securities or commodities exchange(s) with which applicant will be registered.

Question #10:
Check all appropriate boxes to indicate the states with which applicant will be registered/licensed.

Question #11:
Since the applicant could be classified in more than one category, be certain to check all applicable boxes including whether employment is full or part-time (e.g., the applicant could be applying as a registered representative, vice president and non-voting stockholder). Consult the appropriate exchange, association and/or jurisdiction rules and statutes. For NASD purposes, a non-OSJ branch office manager should check the appropriate box under standard registration as well as "branch office manager" under intermediate registration. If the position applied for does not appear, check the box marked other and specify position.

Question #12:
State what measures your organization has taken to verify applicant's employment background spanning the last three years.
A registered principal must sign and date the application. Please also type or print the principal's name.

THE REMAINDER OF THE FORM MUST BE COMPLETED BY THE APPLICANT

PERSONAL HISTORY

Question #13:
Give FULL legal name including maiden name, if applicable. DO NOT use nicknames, former names or aliases.

Question #14:
If federal law does not require you to have a social security record, such as foreign nationals working in foreign offices, write "Not Applicable – Foreign National."

Questions #15 & 16:
This should be your CURRENT legal address. If you expect to move within three months from the date on which the application is submitted and know the new address, give the new address on a separate attachment or notify the regulatory body or bodies with which you are registering immediately after the new address is known.

Question #17:
Give full date: month, day, year.

Question #18:
Give city and state. If born outside the U.S., give city and country.

Question #19:
Check appropriate box.

Question #20:
Give current marital status: single, married, divorced, separated or widowed.

Question #21:
Include any names by which you are or have been known, other than your current legal name. This would include any nicknames by which you have been known since adulthood.

Question #22:
Give either FULL name of husband or FULL name of wife including her maiden name. Do not use nicknames or aliases.

Questions #23 & 24:
Give FULL maiden name of mother and FULL name of father. Do not use nicknames or aliases.

Question #25:
Give a complete list of schools attended, dates of attendance, major courses taken, day or evening classes (or both), type of degree awarded (if applicable). Do not list pre-high school education, unless it was the last school attended. Answers must be precise, accurate and complete if costly delay in processing is to be avoided.

Question #26:
Show all employment, self-employment and military service to the last ten years. Be certain to include accurate dates, the full names and addresses of all previous employers. Answers must be precise, accurate and complete if costly delay in processing is to be avoided.

NOTE:

1. ALL TIME MUST BE ACCOUNTED FOR – even periods of unemployment.
2. DO NOT list a school in the employment section unless you were employed by that school. (Not required for NASD purposes.)
3. List all part-time employments that were in the securities industry.
4. If you were unemployed for SIX months or more at a time, submit three letters of reference from persons not related to you verifying this unemployment. (Not required for NASD purposes.)
5. If you were self-employed, submit three letters of reference, preferably from persons with whom you did business, verifying the trade name of your business and stating that your business was honestly conducted, the type of business, and the dates you were associated with it. (Not required for NASD purposes.)
6. Extended vacations (more than one month) are treated as periods of unemployment and must be listed on the application.
7. If you worked for a company that you know has since gone out of business, submit three letters from persons unrelated to you who knew you during this period of time attesting that you worked for the company during the period indicated. (Copies of W-2 forms are also acceptable if the letters cannot be obtained.) (Not required for NASD purposes.)
8. If you worked for a company that has moved or merged or is a subsidiary of another company, furnish the new address or the name and address of the company where the employment records are kept.
9. Attach Form DD-214 (separation papers) if you have served in the Armed Forces. (Not required for NASD purposes.)

Question #27:
List all home addresses for the last 10 years starting with your present address. Please do not give post office boxes.

Question #28:
If you have never had a brokerage account, indicate "None" on the application.
If you had or have an account, list the name of the firm or bank; the account number; the type of account (cash or margin); the status (open or closed); and give the approximate dates.

Question #29:
Read this statement carefully before signing.

THE TEN YEAR LIMIT DOES NOT APPLY TO QUESTIONS 30 THROUGH 55. IF THE ANSWER TO ANY OF THE QUESTIONS ARE "YES", ATTACH COMPLETE DETAILS WHERE ADDITIONAL SPACE IS NEEDED.

Question #30:
Furnish the requested details if answer to either Questions 30.A, B, C, or D is "Yes".

Question #31:
List all state and federal agencies (SEC, Department of Agriculture, etc.) with whom you were registered or licensed to deal in securities or commodities and the dates of registration. State whether the registration(s) or license(s) are currently in effect. List all employers with whom you were associated during these periods unless they have been indicated in question 26. So state this if they have.

Question #32:
The following information should be furnished:
1. The full name and address of the business,
2. the nature of the business,
3. your title or position,
4. a brief description of your duties,
5. the amount of time you devote to the business,
6. whether it is during securities trading business hours or not, and
7. the amount of compensation you receive.

Question #33:
Indicate complete name(s) of investment club(s), partnership(s), hedge fund(s) or joint account(s) and nature of investment(s).

Attach a copy of the Partnership Agreement or Articles of Incorporation, if one exists. If one does not exist, so state this.

Questions #34 & 35:
State whether your insurance or real estate license is active or inactive. If you will use your license on behalf of the organization with which you are applying for registration, please so indicate.

Question #36:
Give the name of the bonding company under which you are covered and the amount of your coverage. This information can be obtained from your employer.

Questions #37 & 38:
If your response to either #37 or 38 is "Yes", give name and address of bonding company and when and why they refused the bond or paid out funds in your behalf.

Question #39:
Read this question carefully, as it is often answered incorrectly. For the purposes of this question, "Member" means anyone who owns a seat on an exchange, or was admitted as an associate member of an exchange. If answer is "Yes", list the exchange with which you were a member, along with the corresponding dates of such membership.

Question #40:
If you were with a firm when it went into liquidation, indicate the name of the firm, your exact capacity with the firm, the circumstances leading to its liquidation, and whether liquidation was conducted by the Securities Investor Protection Corporation or through any other means.

Questions #41 – 49 Disciplinary Action:
For each question answered "Yes", supply the following information:
1. Who was involved.
2. When it happened.
3. What the circumstances were, in your own words.
4. What the final determination was, if any.
5. A copy of the proceeding, if available.

Question #50:
If "Yes", be specific. Any customer complaints or legal proceedings must be listed, whether resolved or pending at the present time. A major complaint includes any written complaint which involves any: 1) claim of actual damages in excess of $10,000; or 2) claim for damages which is settled for an amount exceeding $2,500; or 3) allegations of theft of funds or securities, or of forgery of documents or similar dishonesty. If you were terminated by an employer for this reason or had your business connection severed in any way, be sure to supply all details. These should include firm name, approximate date, name of customer filing the complaint, a brief description of the complaint, and what action, if any, was taken.

Question #51:
If answered "Yes", explain in your own words the circumstances which led to the bankruptcy. If the bankruptcy has been discharged, furnish a copy of the court Discharge of Bankruptcy; if the bankruptcy has not been discharged, provide the following:
1. A list of all creditors. (Not required for NASD purposes.)
2. Three or more letters from the major creditors stating that to the best of their knowledge they felt that the bankruptcy was due to mismanagement or economic conditions and was legitimate rather than due to fraud, nor was it any reflection on the individual's personal integrity. (Not required for NASD purposes).
3. A letter from your lawyer stating the same. (Not required for NASD purposes).
4. A letter, if possible, from the court or court appointed Referee or Trustee in bankruptcy stating the same. (Not required for NASD purposes).

Questions #52 – 55 Criminal and Litigation:
Give a complete explanation of the circumstances in your own words, including the final determination if one has been rendered. Include specific details such as dates, city, state, court and docket number.

Questions #53 & 54:
Give complete details such as dates, city, state, court, docket number and the name of the firm involved. Be sure to supply an explanation of what occurred in your own words as well as the final outcome if you know it.

Question #55:
Give complete details including dates, city, state, court, docket number and an explanation of the circumstances in your own words. Attach a copy of the judgment if available.

INDEX FOR ADDENDA TO FORM U-4

	REGISTERED REPRESENTATIVE	ALLIED MEMBER	FINANCIAL PARTICIPANT	BRANCH MANAGER & OFFICER	MEMBERSHIP
STATES	A	A	A	A	—
AMERICAN STOCK EXCHANGE, INC.	B-1	B-2	B-3	B-1	—
BOSTON STOCK EXCHANGE	C	—	—	—	—
CINCINNATI STOCK EXCHANGE	D-1	D-1 & 2	D-1 & 2	D-1	—
DETROIT STOCK EXCHANGE	—	—	—	—	E
MIDWEST STOCK EXCHANGE, INC.	F-1	F-1 & 3	F-1 & 2	F-1 OR F-4	—
NEW YORK STOCK EXCHANGE, INC.	G-1	G-3 & 4 & 5	G-2 & 3	G-1	G-2&3&4&5&6&7
PACIFIC COAST STOCK EXCHANGE	—	H	H	—	H

STATE INFORMATION

State	Abbr.	Registration Fee	Photograph	Fingerprints	Bond	Letters of Reference	Physical Description
ALABAMA	AL.	$20.00	NO	NO	NO	NO	NO
ALASKA	AK.	$75.00	YES	YES	NO	YES	NO
ARIZONA	AZ.	$ 5.00	NO	YES	NO	YES	YES
ARKANSAS	AR.	$25.00	YES	YES	YES	YES	NO
CALIFORNIA	CA.	$50.00	NO	YES	NO	NO	NO
COLORADO	CO.	$20.00	YES	YES	NO	NO	YES
CONNECTICUT	CT.	$20.00	YES	NO	NO	NO	NO
DELAWARE	DE.	$10.00	NO	NO	NO	NO	NO
DISTRICT OF COLUMBIA	D.C.	$12.50	NO	YES	NO	NO	YES
FLORIDA	FL.	$20.00	YES	YES	NO	NO	YES
GEORGIA	GA.	$50.00	YES	NO	YES	NO	NO
HAWAII	HI.	$ 5.00	NO	NO	NO	NO	NO
IDAHO	ID.	$20.00	YES	YES	NO	YES	NO
ILLINOIS	IL.	$10.00	NO	NO	NO	NO	NO
INDIANA	IN.	$10.00	NO	NO	NO	YES	NO
IOWA	IA.	$10.00	NO	NO	NO	YES	YES
KANSAS	KS.	$15.00	NO	YES	YES	NO	NO
KENTUCKY	KY.	$15.00	YES	NO	NO	NO	YES
LOUISIANA	LA.	$20.00	NO	YES	NO	YES	NO
MAINE	ME.	$10.00	YES	NO	NO	YES	YES
MARYLAND	MD.	$15.00	NO	NO	NO	NO	NO
MASSACHUSETTS	MA.	$20.00	YES	NO	NO	NO	NO
MICHIGAN	MI.	$10.00	YES	YES	NO	NO	NO
MINNESOTA	MN.	$50.00	NO	NO	YES	NO	NO
MISSISSIPPI	MS.	$10.00	YES	NO	NO	YES	YES
MISSOURI	MO.	$10.00	YES	NO	YES	YES	NO
MONTANA	MT.	$10.00	YES	NO	YES	YES	YES
NEBRASKA	NB.	$15.00	NO	NO	NO	YES	NO
NEVADA	NV.	$25.00	NO	NO	NO	NO	NO
NEW HAMPSHIRE	NH.	$50.00	YES	NO	NO	NO	YES
NEW JERSEY	N.J.	$30.00	YES	YES	NO	NO	YES
NEW MEXICO	N.M.	$10.00	YES	NO	YES	YES	NO
NEW YORK	N.Y.	$10.00	YES	YES	YES	NO	YES
NORTH CAROLINA	N.C.	$10.00	YES	NO	YES	YES	YES
NORTH DAKOTA	N.D.	$12.50	NO	NO	NO	YES	YES
OHIO	OH.	$15.00	YES	YES	NO	YES	NO
OKLAHOMA	OK.	$10.00	YES	NO	YES	NO	YES
OREGON	OR.	$10.00	NO	NO	YES	NO	NO
PENNSYLVANIA	PA.	$50.00	YES	NO	NO	NO	YES
RHODE ISLAND	R.I.	$10.00	NO	NO	NO	YES	NO
SOUTH CAROLINA	S.C.	$10.00	YES	NO	YES	NO	YES
SOUTH DAKOTA	S.D.	$15.00	YES	NO	YES	YES	YES
TENNESSEE	TN.	$10.00	YES	NO	NO	NO	YES
TEXAS	TX.	$15.00	YES	NO	NO	NO	YES
UTAH	UT.	$25.00	YES	NO	NO	YES	NO
VERMONT	VT.	$15.00	YES	NO	NO	YES	NO
VIRGINIA	VA.	$10.00	NO	NO	NO	YES	NO
WASHINGTON	WA.	$25.00	YES	NO	NO	NO	NO
WEST VIRGINIA	W.V.	$15.00	YES	NO	NO	YES	NO
WISCONSIN	WI.	$20.00	NO	NO	NO	YES	NO
WYOMING	WY.	$10.00	NO	NO	NO	YES	NO
PUERTO RICO	PR.	$ 5.00	YES	NO	YES	YES	NO

FORM U-4

UNIFORM APPLICATION FOR SECURITIES AND COMMODITIES INDUSTRY REPRESENTATIVE and/or AGENT

1. APPLICANT'S NAME Mr. Ms. _____ (LAST) (FIRST) (MIDDLE (IF NONE, SO SPECIFY))

2. ___-___-___ (SOCIAL SECURITY NUMBER) ____

3. DATE OF EMPLOYMENT _____ ____

4. NASD FIRM NUMBER _____ ____

5. FIRM NAME _____ ____

6. FIRM ADDRESS _____

7. OFFICE OF EMPLOYMENT OF APPLICANT _____ ____

8. NASD DISTRICT IN WHICH BRANCH IS LOCATED _____ ____

9. **TO BE REGISTERED WITH THE FOLLOWING:** *(Check All Applicable)*

NATIONAL ASSOCIATION OF SECURITIES DEALERS (NASD) ☐ ____ SECURITIES AND EXCHANGE COMMISSION ONLY (SECO) ☐ ____

American Stock Exchange	☐		Cincinnati Stock Exchange	☐		New York Stock Exchange	☐	
Boston Stock Exchange	☐		Detroit Stock Exchange	☐		Pacific Stock Exchange	☐	
Chicago Board of Trade	☐		Intermountain Stock Exchange	☐		PBW Stock Exchange	☐	
Chicago Board Options Exchange	☐		Midwest Stock Exchange	☐		Spokane Stock Exchange	☐	
Chicago Mercantile Exchange	☐		National Stock Exchange	☐		Other (Specify)	☐	

10. **TO BE REGISTERED WITH THE FOLLOWING STATE SECURITIES AGENCIES:** *(Check All Applicable)*

AL ☐		DE ☐		IN ☐		MA ☐		NV ☐		ND ☐		SC ☐		VA ☐	
AK ☐		DC ☐		IA ☐		MI ☐		NH ☐		OH ☐		SD ☐		WA ☐	
AZ ☐		FL ☐		KS ☐		MN ☐		NJ ☐		OK ☐		TN ☐		WV ☐	
AR ☐		GA ☐		KY ☐		MS ☐		NM ☐		OR ☐		TX ☐		WI ☐	
CA ☐		HI ☐		LA ☐		MO ☐		NY ☐		PA ☐		UT ☐		WY ☐	
CO ☐		ID ☐		ME ☐		MT ☐		NC ☐		RI ☐		VT ☐		PR ☐	
CT ☐		IL ☐		MD ☐		NB ☐									

11. **TYPE OF APPROVAL REQUESTED:**

STANDARD REGISTRATION (Registered Representative)

FULL REGISTRATION/GENERAL SECURITIES	☐	
LIMITED REGISTRATION	☐	
REGISTERED COMMODITY REPRESENTATIVE	☐	
AGENT OF ISSUER	☐	
INVESTMENT CO. PRODUCTS/VARIABLE CONTRACTS	☐	
TRADER	☐	
REAL ESTATE SECURITIES	☐	
DIRECT PARTICIPATION PROGRAMS	☐	
OTHER (Specify)_____	☐	
PART TIME (NASD and SECO)	☐	
FULL TIME (NASD)	☐	

INTERMEDIATE REGISTRATION

BRANCH OFFICE MANAGER	☐	
SUPERVISORY ANALYST	☐	
OFFICER (Title) _____	☐	
OTHER (Specify)_____	☐	

PRINCIPAL REGISTRATION

MEMBER (EXCHANGE)	☐	
REGULAR _____	☐	
ASSOCIATE _____	☐	
ALLIED MEMBER (EXCHANGE) _____	☐	
APPROVED PERSON (EXCHANGE) _____	☐	
SOLE PROPRIETOR	☐	
FINANCIAL PRINCIPAL	☐	
DIRECTOR	☐	
MANAGER OFFICE OF SUPV. JURISDICTION	☐	
GENERAL PARTNER	☐	
LIMITED PARTNER	☐	
OFFICER (Title) _____	☐	
HOLDER OF VOTING STOCK	☐	
HOLDER OF NON-VOTING STOCK	☐	
SUBORDINATED LENDER	☐	
HOLDER OF DEBENTURES	☐	
REGISTERED OPTIONS PRINCIPAL	☐	
UNDERWRITING	☐	
MUTUAL FUNDS	☐	
OPERATIONS	☐	
OTHER (Specify) _____	☐	

12. To the best of my knowledge and belief the applicant at the time of approval will be familiar with the statute(s), constitution(s) and rules of the regulatory body or bodies with whom this application is being filed, and the rules governing registered persons, and will be fully qualified for the position for which application is being made herein. I agree that notwithstanding the approval of such regulatory body or bodies, which hereby is requested, I will not employ the applicant in the capacity stated herein without first receiving the approval of any authority which may be required by law. Also, the acts of this employee in the course of his employment or what might reasonably appear to be in the course of his employment in connection with the offer or sale of any security or commodity shall be considered as our acts; and bind us for any fraudulent misrepresentation or omission in connection with the offer or sale of any security or commodity. This organization has communicated with all the previous employers of the applicant during the past three years, as set forth below:

EMPLOYER		NAME AND POSITION OF PERSON CONTACTED		EMPLOYED FROM/TO		CONTACTED BY PHONE, LETTER OR INTERVIEW		

In addition, I have taken appropriate steps to verify the statements contained in this application and to inquire into the past record and reputation of the applicant.

(DATE) _____ (PRINT NAME OF REGISTERED PRINCIPAL) _____ (SIGNATURE OF REGISTERED PRINCIPAL) _____

DO NOT WRITE IN THIS SPACE

EXPERIENCE _____ CLEARANCE _____

FURTHER TRAINING REQUIRED _____ EXAM TAKEN: DATE _____

EXAM REQUIRED _____ GRADE _____

ISSUE _____ DATE APPROVED: COND. _____

EXAM GRADE OK _____ FINAL _____

PERSONAL HISTORY

13. Mr. / Ms. ____ (LAST NAME / FIRST / MIDDLE / MAIDEN NAME (IF APPLICABLE)) ____ 14. ____ (SOCIAL SECURITY NUMBER) ____

15. ____ (ADDRESS) 16. ____ (CITY / STATE / ZIP) ____

17. / / ____ (DATE OF BIRTH) 18. ____ (PLACE OF BIRTH) ____ 19. CITIZEN OF U.S.? YES ☐ NO ☐ ____

20. ____ (MARITAL STATUS) 21. ____ (ALIAS (IF NONE, INDICATE)) ____ 22. ____ (IF MARRIED, FULL NAME OF SPOUSE AND MAIDEN NAME (IF APPLICABLE)) ____

23. ____ (MOTHER'S FULL MAIDEN NAME) ____ 24. ____ (FATHER'S FULL NAME) ____

IF MORE SPACE IS NEEDED FOR ANY OF THE FOLLOWING QUESTIONS, ATTACH A SEPARATE SHEET IN DUPLICATE

25. EDUCATION

Educational Institutions Attended: HIGH SCHOOL ☐ ____ COLLEGE ☐ ____ GRADUATE SCHOOL ☐ ____

Specify Highest Year Completed: 9☐ 10☐ 11☐ 12☐ 1☐ 2☐ 3☐ 4☐ 1☐ 2☐ 3☐ 4☐

NAME AND ADDRESS OF INSTITUTION (STREET, CITY, STATE, ZIP CODE)	FROM MO. YR.	TO MO. YR.	COURSE	DAY OR EVENING	DID YOU GRADUATE	DEGREE	

26. EMPLOYMENT HISTORY

The following is a complete, consecutive statement of my business history for the past ten years starting with my current position. All time must be accounted for including self-employment, unemployment, part-time securities, commodities, insurance and real estate industries or related positions and all military service.

NAME OF EMPLOYER AND COMPLETE ADDRESS (STREET, CITY, STATE, ZIP CODE)	FROM MO. YR.	TO MO. YR.	POSITION HELD	REASON FOR LEAVING	FULL OR PART-TIME	

27. **RESIDENTIAL HISTORY** (Give all home addresses starting with present address for the past 10 years.)

ADDRESS (Street, City, State, Zip Code)	FROM MO. YR.	TO MO. YR.	

28. The following is a complete list of all brokers, dealers or banks with which I am carrying accounts in securities or commodities or with which I have carried such during the past ten years. If "none", so state. ____

NAME AND ADDRESS OF FIRM OR BANK	ACCOUNT NUMBER	CASH OR MARGIN	FROM/TO	OPEN OR CLOSED	

I authorize and request any and all of my former employers and any other person to furnish to the regulatory body or bodies with which this application is being filed, or any agent acting on its behalf, any information they may have concerning my credit worthiness, character, ability, business activities, educational background, general reputation, together with, in the case of former employers, a history of my employment by them and the reasons for the termination thereof. Moreover, I hereby release each such employer and each such other person from any and all liability of whatever nature by reason of furnishing such information to the regulatory body or bodies or any agent acting on its behalf.

Further, I recognize that I may be the subject of an investigative consumer report ordered by the regulatory body or bodies with which this application is being filed, and that I have the right to request complete and accurate disclosure by such regulatory body or bodies of the nature and scope of the investigation requested.

DATE ____ 29. ____ SIGNATURE OF APPLICANT

THE TEN YEAR LIMIT DOES NOT APPLY TO QUESTIONS 30 THROUGH 55.

30. A. Have you ever taken and passed a qualifying examination for registration in any capacity with the NASD, a national securities or commodities exchange or SECO? If yes, state below the type of examination, the approximate date taken and with what regulatory body application was made. ..... Yes___ No___ ☐

TYPE OF EXAM _____ APPROXIMATE DATE TAKEN _____ REGULATORY BODY _____

B. Have you ever been granted a waiver of a qualifying examination with the NASD, a national securities or commodities exchange or SECO? If yes, state below the type of examination, the approximate date and by what regulatory body. ..... Yes___ No___ ☐

TYPE OF EXAM _____ APPROXIMATE DATE _____ REGULATORY BODY _____

C. Have you ever taken a qualifying examination for any state? If yes, state below the type of examination, the approximate date taken and the name of the state administering it. ..... Yes___ No___ ☐

TYPE OF EXAM _____ APPROXIMATE DATE TAKEN _____ REGULATORY BODY _____

D. Have you ever been exempted or excluded from taking a qualifying examination by any state? If yes, state below the type of examination, the approximate date and the name of the state issuing the exemption or exclusion. ..... Yes___ No___ ☐

TYPE OF EXAM _____ APPROXIMATE DATE _____ REGULATORY BODY _____

IF THE ANSWER TO ANY OF THE FOLLOWING QUESTIONS IS YES, ATTACH COMPLETE DETAILS:

31. Have you ever been registered or licensed to sell or to deal in securities or commodities as a principal or employee with any registered broker-dealer or to function as an investment adviser by any federal or state agency? If yes, specify the name of the broker-dealer or investment adviser, dates registered and the body or agency with which you were registered. ..... Yes___ No___ ☐

32. Are you currently engaged in any other business either as a proprietor, partner, officer, director, trustee, employee or otherwise? ..... Yes___ No___ ☐

33. Do you or any member of your immediate family have any beneficial interest in any investment partnership or corporation (including Hedge Funds, investment clubs, etc.) or any other domestic or foreign accounts which they have had, whose primary function is investing in securities or commodities? ..... Yes___ No___ ☐

34. Are you now or have you ever been licensed to sell insurance? ..... Yes___ No___ ☐

Type of License(s) and State(s) where licensed _____

35. Are you now or have you ever been licensed to sell real estate? ..... Yes___ No___ ☐

Type of License(s) and State(s) where licensed _____

36. Are you currently bonded? (If yes, specify bonding company and amount.) ..... Yes___ No___ ☐

_____

37. Have you ever been refused a fidelity bond? ..... Yes___ No___ ☐

38. Has any surety company paid out any funds on your coverage or cancelled your bond? ..... Yes___ No___ ☐

39. Are you now or have you ever been a regular or associate member of any stock exchange or commodity exchange? ..... Yes___ No___ ☐

40. Have you ever been an officer, director, general partner, owner of ten (10) percentum or more of the voting securities, or controlling person of, or otherwise engaged in any other managerial or supervisory capacity, or during the time of such affiliation with any broker or dealer, for whom a trustee has been appointed pursuant to the provisions of the Securities Investors Protection Act of 1970 or that has been liquidated under any other circumstances? ..... Yes___ No___ ☐

41. To your knowledge, are you now or have you ever been the subject of any investigation or proceeding by any governmental or self-regulatory securities, commodities, or insurance body or agency? ..... Yes___ No___ ☐

42. Are you now or have you ever been a defendant in any litigation alleging the violation of any agreement with or provision of a securities or commodities industry self-regulatory body's constitution, by-laws or rules, or any securities, commodities or insurance law or regulation? ..... Yes___ No___ ☐

43. Are you now or have you ever been a director, controlling stockholder, partner, officer, sole proprietor, or an associated person with a broker-dealer or insurer which during the time of such association was suspended, expelled, or had its registration denied or revoked by any jurisdiction and/or organization? ..... Yes___ No___ ☐

44. Are you now or have you ever been subject to an order of the NASD, a securities or commodities exchange, the SEC or any state which revokes, suspends or denies membership or registration? ..... Yes___ No___ ☐

45. Are you now or have you ever been named as an aider, abettor, or a co-conspirator or cause in any action mentioned in questions 40, 41, 42, 43 and 44 taken with respect to a broker-dealer or insurer? ..... Yes___ No___ ☐

46. Are you now or have you ever been enjoined, temporarily or otherwise, from selling or dealing in securities, commodities or insurance or from functioning as an investment advisor? ..... Yes___ No___ ☐

47. Are you now or have you ever been, whether or not this was publicly disclosed, suspended, expelled, fined, barred, censured or otherwise disciplined by any regulatory body, or by any securities or commodities exchange or association; or been refused membership therein or ever withdrawn your application for such membership; or ever been refused a license to sell insurance or had one suspended or revoked for cause by any state or federal agency? ..... Yes___ No___ ☐

_____ DATE

_____ SIGNATURE OF APPLICANT

48. Are you now or have you ever been suspended, expelled, fined, barred, censured or otherwise disciplined by any employer in the securities, commodities or insurance industry? ..... Yes___ No___ ☐

49. Have you ever had denied, suspended or revoked a license, permit, certificate, registration or membership required to engage in securities, commodities, insurance or other business or profession? ..... Yes___ No___ ☐

50. In your previous business connections or employment, have you ever been:
    a. a subject of a major complaint or legal proceeding? ..... Yes___ No___ ☐
    or,
    b. discharged or requested to resign by an employer because of dishonest or unethical acts alleged to have been committed by you? ..... Yes___ No___ ☐

51. Have you or any firm, corporation or association of which you have been a principal or officer ever failed in business, made a compromise with creditors or ever filed or been declared bankrupt under any bankruptcy acts? Yes___ No___ ☐

52. Have you ever been convicted of, or been found guilty of, or are you currently under indictment, or do you have any charge(s) pending for a felony of any kind or for any misdemeanor(s) or offense(s) other than minor traffic violations? ..... Yes___ No___ ☐

53. Have you ever been convicted, or been found guilty of a felony of any kind; or of a misdemeanor involving embezzlement, fraud, misappropriation of funds, abuse or misuse of a fiduciary relationship in connection with the purchase or sale of securities, commodities or insurance; or a misdemeanor involving the conduct of a broker-dealer? ..... Yes___ No___ ☐

54. Have you ever been a principal or employee of any organization which while you were associated with it was convicted, or found guilty of a felony or a misdemeanor involving embezzlement, fraud, abuse or misuse of a fiduciary relationship in connection with the purchase or sale of securities, commodities or insurance or a misdemeanor arising out of any other activity performed by a broker-dealer? ..... Yes___ No___ ☐

55. Are you currently the subject of an unsatisfied judgment or lien? ..... Yes___ No___ ☐

THE FOLLOWING SHOULD BE READ VERY CAREFULLY BY THE APPLICANT

1. I hereby certify that I have read and understand the foregoing statements and that my responses are true and complete to the best of my knowledge.

2. To induce the jurisdiction(s) and/or organization(s) with or to which I am filing or submitting this application to receive and consider it:
   A. I agree that any decision of the jurisdiction(s) and/or organization(s) as to the results of any examination(s) that I may be required to pass will be accepted by me as final;
   B. (1) I understand that I am not authorized to sell, or offer for sale any securities until I have received my license or registration certificate or an official notification of its effective date;
   (2) I understand that I am to sell only those securities authorized by my employer;
   C. I agree to abide by the Statute(s), Constitution(s), Rules and By-Laws of each jurisdiction(s) and/or organization(s) as any of the foregoing are amended from time to time with or to which I am filing or submitting this application;
   D. If I shall violate or be charged with the violation or possible violation of any statutes, rules, policies, constitutions or by-laws of of each jurisdiction and/or organization with or to which I am filing or submitting this application, I agree to be subject to and abide by the penalties of the Statute(s), Constitution(s), Rules and By-Laws of each jurisdiction and/or organization.

3. Further, and in consideration of the Exchange(s) or Association(s) receiving and considering this application, I submit myself to the jurisdiction of each of such Exchange(s) and Association(s).

4. I, _____, the undersigned applicant do solemnly swear that the answers to the above questions and the statements herein made are true, and that I have not herein made any statement, which is at this time and in the light of the circumstances under which it is made, false or misleading in any material respect.

5. The undersigned for the purpose of complying with the laws of the State of _____ relating to either the registration or sale of securities or commodities hereby irrevocably appoints the administrator or such other person designated by law and the successors in such office, its attorney in this State upon whom may be served any notice, process or pleading in any action or proceeding against me arising out of or in connection with the offer or sale of securities or commodities or out of violation of the aforesaid laws of said State; and the undersigned does hereby consent that any such action or proceeding against me may be commenced in any court of competent jurisdiction and proper venue within said State by service of process upon said appointee with the same effect as if the undersigned was a resident in this State and had lawfully been served with process in this State.
   It is requested that a copy of any notice, process or pleading served hereunder be mailed to me at my residence.

_____ _____
DATE SIGNATURE OF APPLICANT

(NOTARIZATION OF APPLICANT'S SIGNATURE)

STATE OF _____ }
County _____ } ss:

Subscribed and sworn to before me this _____ day of _____ A.D., 19____

_____ Notary Public

My commission expires _____ County of _____ State of _____

_____ _____
DATE SIGNATURE OF WITNESS

(Witness must be either a partner of the firm, officer of the corporation, branch office manager, or authorized employee. Please indicate which.)

SUPPLEMENTAL
STATE INFORMATION

Full name of applicant exactly as stated in Item 1 of Form U-4.

Mr.
Ms. _____
LAST FIRST MIDDLE

1. Have you previously been registered as an agent in this state? Yes ___ No ___

2. Attach the following, where applicable:

___ a) Small photograph taken no more than 3 years prior to date of filing the application.
___ b) Fingerprints on appropriate state forms.
___ c) Letters of reference.
___ d) Bond.
___ e) Proof of successful examination completion.
___ f) Physical description form.

3. Enclosed is the fee in the amount of _____.

FORM U-4
AD-G-1

NEW YORK STOCK EXCHANGE, INC.

AGREEMENT

MUST BE COMPLETED BY ALL REGISTERED REPRESENTATIVES, BRANCH OFFICE MANAGERS AND OFFICERS

I hereby certify that I have read and understand the foregoing statements and that each of my responses thereto is true and complete, and that the responses in any and all prior applications filed with the New York Stock Exchange, Inc. were true and complete. In consideration of the New York Stock Exchange, Inc.'s receiving and considering my application:

(a) I authorize and request any and all of my former employers and any other person to furnish to the Exchange, *or any agent acting on its behalf,* any information they may have concerning my credit worthiness, character, ability, business activities, *general reputation, mode of living and personal characteristics,* together with, in the case of former employers, a history of my employment by them and the reasons for the termination thereof. *Moreover,* I hereby release each such employer and each such other person from any and all liability of whatsoever nature by reason of furnishing such information to the Exchange *or any agent acting on its behalf.*

Further, I recognize that I will be the subject of an investigative consumer report ordered by the Exchange, and that I have the right to request complete and accurate disclosure by the Exchange of the nature and scope of the investigation requested.

(b) I authorize the New York Stock Exchange, Inc. to make available to any prospective employer, or to any Federal, State or Municipal agency, any information it may have concerning me, and I hereby release the New York Stock Exchange, Inc. from any and all liability of whatsoever nature by reason of furnishing such information.

(c) I agree that the decision of the New York Stock Exchange, Inc. as to the results of any examinations it may require me to take will be accepted by me as final, *and that I shall be subject to the penalties provided for under Rule 345 (c) of the Board of Directors, as from time to time amended,* if, in the opinion of the Exchange, I have

(1) violated any provision of the Constitution or of any rule adopted by the Board of Directors;
(2) violated any of my agreements with the Exchange;
(3) made any misstatements to the Exchange; or
(4) been guilty of (i) conduct inconsistent with just and equitable principles of trade, (ii) acts detrimental to the interest or welfare of the Exchange, or (iii) conduct contrary to an established practice of the Exchange.

(d) I have read the Constitution and Rules of the Board of Directors of the New York Stock Exchange, Inc. and, if approved, I hereby pledge myself to abide by the Constitution and Rules of the Board of Directors of the New York Stock Exchange, Inc. as the same have been or shall be from time to time amended, and by all rules and regulations adopted pursuant to the Constitution, and by all practices of the Exchange.

Further, and in consideration of the New York Stock Exchange, Inc.'s approving my application, I submit myself to the jurisdiction of such Exchange, and I agree as follows:

(a) That I will not guarantee to my employer or to any other creditor carrying a customer's account, the payment of the debit balance in such account, without the prior written consent of the Exchange.

(b) That I will not guarantee any customer against loss in her/his account or in any way represent to any customer that I or my employer will guarantee the customer against such losses.

(c) That I will not take or receive, directly or indirectly, a share in the profits of any customer's account, or share in any losses sustained in any such account.

(d) That I will not make a cash or margin transaction or maintain a cash or margin account in securities or commodities, or have any direct or indirect financial interest in such a transaction or account, except with a member organization or with a bank. I understand and agree that no such transaction may be effected and no such account may be maintained without the prior consent of my employer, and that except for Monthly Investment Plan transactions such employer must receive promptly, directly from the carrying member organization or bank, duplicate copies of all confirmations and statements relating to such transactions or account. I further understand and agree that I shall receive no compensation for commissions or profits earned on any transaction or account in which I have a direct or indirect financial interest, except with the approval of my employer and in accordance with the rules of the Exchange.

(e) That I will not rebate, directly or indirectly, to any person, firm or corporation any part of the compensation I receive as a registered employee, and I will not pay such compensation, or any part thereof, directly or indirectly, to any person, firm or corporation, as a bonus, commission, fee or other consideration, for business sought or procured for me or for any member or member organization of the Exchange.

(f) That at any time, upon the request of Regulation and Surveillance, or of any Committee or Department of the New York Stock Exchange, Inc., I will appear before such Committee or Department and give evidence upon any subject under investigation by such Committee or Department, and that I will produce, upon request of the Exchange, all of my records or documents relative to any inquiry being made by the Exchange.

(g) I understand that any changes in compensation in any form, or additional compensation in any form, may be subject to disapproval by the New York Stock Exchange, Inc., and that I may not be compensated for business done by or through my employer after the termination of my employment, except as may be permitted by the Exchange.

(h) I agree that I will not take, accept or receive, directly or indirectly, from any person, firm, corporation or association, other than my employer, compensation of any nature, as a bonus, commission, fee, gratuity or other consideration, in connection with any securities or commodities transaction or transactions, except with the prior written consent of the Exchange.

(i) I will notify my member organization and Regulation and Surveillance promptly if, during the tenure of my employment I become the subject of: any investigation or proceeding by any governmental or securities industry self-regulatory body; a refusal of registration, injunction, censure, suspension, expulsion or other disciplinary action by any governmental or securities industry self-regulatory body; a major complaint by a customer of a member organization or by a broker-dealer in securities; a disciplinary action by a member organization; any litigation or arbitration alleging my violation of any agreement with or provision of any securities industry self-regulatory body's, constitution, by-laws, or rules or any securities law or regulation; or any bankruptcy or contempt proceeding, cease and desist order, injunction or civil judgment as party defendant; or any arrest, summons, arraignment, indictment, or conviction for a criminal offense (other than minor traffic violations); or any material allegation that I have conducted myself in a way which may be inconsistent with just and equitable principles of trade, or detrimental to the interest and welfare of the Exchange, or contrary to an established practice of the Exchange; or if I violate any provision of the Exchange Constitution or of any rule adopted by the Board of Directors or of any securities law or regulation or of any agreement with the Exchange.

(j) I agree that any controversy between me and any member or member organization or affiliate or subsidiary thereof arising out of my employment or the termination of my employment shall be settled by arbitration at the instance of any such party in accordance with the arbitration procedure prescribed in the Constitution and Rules then obtaining of the New York Stock Exchange, Inc.

(k) If the Exchange, during the period of 90 days immediately following receipt by the Exchange of written notice of the termination of my employment gives me written notice that the Exchange is making inquiry into any specified matter or matters occurring prior to termination of such employment, I agree that I will thereafter, comply with any request of the Exchange for me to appear and testify, submit records, respond to written requests, attend hearings, and accept disciplinary charges or penalties with respect to the matter or matters specified in such notice in every respect in conformance with the Constitution, Rules and practices of the *Exchange in the same manner* and to the same extent as required to do if I had remained an employee. If I refuse to accept such written notice or, having been given such notice, refuse or fail to comply with any such request of the Exchange, I agree that such refusal or failure may, in the discretion of the Exchange, act as a bar to future Exchange approval of my employment until such time as the Exchange has completed investigation into the matter or matters specified in such notice; has determined a penalty, if any, to be imposed against me; and until the penalty, if any, has been carried out.

_____ (Date)

_____ (Signature of Candidate)

Witness _____

(Witness must be either a partner of the firm, officer of the corporation, branch office manager, or authorized employee. Please indicate which.)

NYSE 11-74

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the Matter of the Proposed Adoption of Rules of the State Securities Division of the Department of Commerce Governing Securities Under Minn. Stat. ch. 80A (1974 and 1975 Supp).

STATEMENT OF COMPLIANCE WITH MANUAL OF RULE-MAKING PROCEDURES

I, Assistant Attorney General Thomas R. Muck, do hereby declare that I have examined the above-referenced Rules and all related documents and that, based on them and my personal familiarity with the applicable procedures specified in the Attorney General's Manual of Rulemaking Procedures, the Manual of Rulemaking Procedures has been followed.

Dated: April 8, 1976.

THOMAS R. MUCK
Assistant Attorney General

Ex 2.
RKH 7/16/75

STATE OF MINNESOTA)
)
COUNTY OF RAMSEY)

BEFORE JOHN R. LARSON

COMMISSIONER OF SECURITIES

In the matter of the Proposed Adoption of Rules and Forms of the Securities Division of the Department of Commerce, Governing Exemptions and other matters pursuant to Minnesota Statutes 1974, Chapter 80A.

ORDER FOR HEARING

To effectively implement Minnesota Statutes 1974, Chapter 80A, the Minnesota Commissioner of Securities deems it necessary to consider adoption of the proposed rules captioned above pursuant to the authority vested in me by M.S. 1974, Chapter 80A.

NOW, THEREFORE, IT IS ORDERED this second day of June, 1975, that a public hearing on the proposed rules captioned above be held in the Hearings Room of the Department of Commerce, Fifth Floor, Metro Square Building, Seventh and Robert Streets, St. Paul, Minnesota, on Wednesday, July 16, 1975, commencing at 9:00 A.M., and continuing until all representatives or associations or other interested groups or persons have had an opportunity to be heard.

IT IS FURTHER ORDERED, that notice of said hearing be given to all representatives of associations or other interested groups or persons who have registered their names with the Secretary of State for that purpose and all persons who are presently members of the Minnesota Legislature.

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES DIVISION

John R Larson

STATE SECURITIES COMMISSIONER

223

Barry R. Greller
Special Assistant
Attorney General

May 17, 1976

Securities Div.

SDiv. 2077, 2079, 2089, 2099, 2110,
2113-2119, 2121, 2122, 2126, 2135

3
RKH 7/16/75

STATE OF MINNESOTA

COUNTY OF RAMSEY

BEFORE JOHN R. LARSON

COMMISSIONER OF SECURITIES

In the matter of the Proposed Adoption of Rules and Forms of the State Securities Division of the Department of Commerce, Governing Exemptions and other matters pursuant to Minnesota Statutes 1974, Chapter 80A.

NOTICE OF HEARING

Notice is hereby given that a public hearing will be held pursuant to M.S. 1974, Section 15.0412, in the above-entitled matter, in the Hearings Room of the Department of Commerce, Fifth Floor, Metro Square Building, Seventh and Robert Streets, St. Paul, Minnesota, on Wednesday, July 16, 1975, commencing at 9:00 A.M., and continuing until all representatives of associations or other interested groups or persons have had an opportunity to be heard concerning adoption of the proposed rules captioned above, by submitting either oral or written data, statements or arguments. Statements or briefs may be submitted without appearing at the hearing.

The Commissioner of Securities proposes to adopt rules relating to the following matters: disclosure in oil & gas registrations; rights of participants in oil & gas, cattle feeding, and real estate investment trust registrations; stock option plans; employee stock ownership trusts; stock purchase and pension or profit sharing plans; defining a term in Section 80A.15, Subdivision 1(i); isolated sales; recognized securities manuals; non-exempt status of sales to Small Business Investment Companies; investment intent in exempted exchange offers; exempt status of certain offers of industrial revenue bonds; sales of securities by affiliates of the issuer; disclosure in rescission offers; and other rules affecting the exemptions contained in Section 80A.15. The Commissioner also proposes to adopt numerous forms concerning licensing, registrations and exemptions. Finally, the Commissioner proposes to revoke SDiv. 1-1102 promulgated under the prior Act, Minnesota Statutes 1971, Chapter 80.

Copies of the proposed rules are now available and may be obtained by writing to Allan W. Klein, Minnesota Securities Division, Fifth Floor, Metro Square Building, Seventh and Robert Streets, St. Paul, Minnesota, 55101.

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES DIVISION

John R. Larson

JOHN R. LARSON
Commissioner of Securities

Ex. 5
RKH. 7/16/75

STATE OF MINNESOTA)
)ss.
COUNTY OF RAMSEY)

AFFIDAVIT

Allan W. Klein, being duly sworn on oath deposes and says:

1) That he is an employee of the Securities Division of the Department of Commerce of the State of Minnesota.

2) That on the sixth day of June, 1975, he requested from the Secretary of State's office for the State of Minnesota a current list of all representatives of associations or other interested groups or persons who had registered their names with the Secretary of State for the purpose of obtaining notices of public hearing relating to the promulgation of rules pursuant to M.S. 15.0412.

3) That on the tenth day of June, 1975, in response to the above request, the Secretary of State provided him with such a list, a copy of which is attached hereto and incorporated by reference.

Further affiant sayeth not.

Allan W. Klein

Samuel F. Johnson

SAMUEL F. JOHNSON
Notary Public, Hennepin County, Mn.
My Commission Expires,
September 29, 1978

Subscribed and sworn to before me
this 12th day of June, 1975.

Ex. 4
RHH. 7/16/75

STATE OF MINNESOTA

COUNTY OF RAMSEY

CERTIFICATE

In the matter of the Proposed Adoption of Rules and Forms of the Securities Division of the Department of Commerce Governing Exemptions and other matters pursuant to Minnesota Statutes 1974, Chapter 80A.

(424 labeled & 3 sheets)

I hereby certify that the attached twenty-three (23) sheets constitute the complete list of persons, associations, and other interested groups who as of 9:20 a.m., this tenth day of June, 1975, have requested pursuant to M.S. 1974, Section 15.0412, that their names be placed on file with the Secretary of State for the purpose of receiving notice of public hearing on proposed rules on the subject captioned above.

Secretary of State

Joan Anderson Growe

By Ceil Dion

ALTMAN MILTON H
707 DEGREE OF HONOR BLD
ST PAUL MN
55101

AM CAMPING ASSN MRS LEACO
1235 BRIGHTON SQ
NEW BRIGHTON MN
55112

ANDERSON GRAHAM
951 E HENN
MPLS MN
55414

ANDERSON HERBERT
418 8TH ST. SO.
VIRGINIA MN
55792

ANDERSON STANFORD P
14600 MINNETONKA BLVD
MINNETONKA MN
55343

ANTHONY DICK WDSM RADIO
230 E SUPR ST
DULUTH MN
55102

ARVER JOHN A
2467 COHANCY
ST PAUL MN
55113

ASMUSSEN,DENNIS,MPIRG
3036 UNIV AVE SE
MPLS MN
55414

ASSN OF MINN COUNTIES
55 SHERBURNE AVE #203
ST PAUL MN
55103

ASSN RESIDENCES FOR RETAR
459 RICE SUITE 301
ST PAUL MN
55103

BABCOCK LOCHER NELSON ET AL
118 E MAIN ST
ANOKA MN
55303

BADALICH JOHN P
2025 THOMPSON AVE
SO ST PAUL MN
55075

BARTHOLOW HAROLD E FIRE CHF
2600 109 AVE N W
COON RAPIDS MN
55433

BECKLIN ROBERT C
447 N W 4TH
CAMBRIDGE MN
55008

BENSONI PETER USW OF AM.
609 PROVIDENCE BLDG.
DULUTH MN

BERGERUD ALF
300 ROANOKE BLDG
MPLS MN
55402

BLOMQUIST BARRY L

NORTH BRANCH MN
55056

BLOOMINGTON CITY CLERK
2215 W OLD SHAKOPEE RD
BLOOMINGTON MN
55431

BRIGHAM E M III
RR4
RED WING MN
55066

BROEKER JOHN
2850METRO DR. SUITE 504
BLOOMINGTON MN
55420

[illegible]BACHER RICHARD COMM ADM
[illegible] ADM BLDG
[illegible] PAUL MN

BRUNING C.R.DEPT.CLINIC.E
BURTON HALL
MPLS. MN
55455

BUR.ENGR.IND.DIV. MR.KIBIGER
219 N. 2ND ST.
MPLS. MN

BUR NATL AFFAIRS INC
1231 25TH ST NW
WASHINGTON DC
20037

CAIN RUTH
730 E 38TH ST
MPLS MN
55407

CAIRNS JOHN A
1460 NW BK BLDG
MPLS MN
55402

CARRISON DALE K
MANKATO STATE COLLEGE
MANKATO MN
56001

CENTRAL BUSINESS DATA
BENSON RADIO ARCADE BLD
BENSON MN
56215

CHAMBERLAIN JOHN L
PO BOX 241
MPLS MN
55440

CHERCHES CHRIS CITY MGR
5005 MTKA BLVD
ST LOUIS PARK MN
55416

CITY CLERK
386 CITY HALL
ST PAUL MN
55102

CITIZENS LEAGUE
530 SYNDICATE BLDG
MPLS MN
55402

COLEMAN NICHOLAS D
700 LINWOOD AVE
ST PAUL MN
55105

COLLIN LAURENCE
RT 2
ISANTI MN
55040

CONSUMER SERVICES DEPT COMM
5TH FLR METRO SQ BLDG
ST PAUL MN
55101

COUNTY ATTYS COUNCIL
95 SHERBURNE AVE S203
ST PAUL MN
55103

CROW WING CO PLANNING & ADV
COURT HOUSE
BRAINERD MN
56401

CUSHMAN J S DAYTON HUDSON
700 NICOLLET MALL
MPLS MN
55402

DANFORTH & ALLEN
731 NW BANK BLDG
MPLS MN
55402

DANKERS,KENNETH
1200 WEST FOURTH STREET
RED WING MN
55066

DICKINSON MRS JOANNE
BOX 1065
MARSHALL MN
56258

DIEHL JOHN
26 KENWOOD PKWY
ST PAUL MN
55105

DOUGLASS BELL
525 OSBORN BLDG
ST PAUL MN
55102

DOW CHEMICAL
47 BLDG
MIDLAND MI
48640

[illegible] OLIVER PLUMBERS LOC 15
[illegible] SO 10TH ST
MPLS MN
55404

DZUGAN KEN ST PAUL PLANNI
421 WABASHA ST
ST PAUL MN
55102

ELDER DR JAMES B
11140 WASHBURN AVE SO
BLOOMINGTON MN
55431

EMERICK RICHARD A
1908 IDS CENTER
MPLS MN
55402

ENV SERV-GEN RESOURCE COR
6340 INDUSTRIAL DR
HOPKINS MN
55343

ESSE KENNETH
4801 W 50TH ST
EDINA MN
55424

EVANS CHAS.L. PRENTICE-H
ENGELWOOD CLIFFS
NEW JERSEY

EWING MRS WM
42 ASTAR RD
BABBITT MN
55706

FARRELL FRANK BUR NOR
RM 1180 176 E 5TH ST
ST PAUL MN
55101

FELHABER R S
W 1ST NATL BANK BLDG
ST PAUL MN
55101

FLADLAND CLINTON MN L&P BUR
796 RAYMOND AVE
ST PAUL MN
55114

FLEMING FREDERICK A
1860 HIGHLAND PARKWAY
ST PAUL MN
55116

FORSBERG AGR SERV
518 SUMMIT AVE
NEW ULM MN
56073

FOX W.E. LINDQUIST & VENN
4200 IDSCTR 80 S.8TH ST
MINNEAPOLIS MN
55402

FREDRIKSON BYRON ET AL
47TH FLR IDS CENTER M
PLS MN
55402

GALVIN M J JR
W2162 1ST NATL BK BLDG
ST PAUL MN
55101

GEO A HORMEL & CO LAW DE
PO BOX 800
AUSTIN MN
55912

GLEESON MICHAEL
909 SOC SC BLDG U OF M
MPLS MN
55455

GLEN. HILLS HOSP.R.VAN HA
3901 GOLDEN VALLEY RD.
MPLS. MN
55422

GRANATH MARVIN -HONEYWELL
2701 4TH AVE SO
MPLS MN
55408

GREEN DEL CITY MGR
BLOOMINGTON CITY HALL
BLOOMINGTON MN
55431

GUSTAFSON DAN-LABOR TEMPLE
312 CENTRAL
MPLS MN
55414

GUSTAFSON WALLACE
BOX 567
WILLMAR MN
56201

HANFT PHILIP M
1200 ALWORTH BLDG
DULUTH MN
55802

HANSON ETHEL
2813 85TH AVE N
MPLS MN
55444

HALLBERG LEE & MCCABE
4927 34TH AVE S
MPLS MN
55417

HAYES, THOMAS W
700 SELLWOOD BLG
DULUTH MN
55812

HESS DONALD MIDWEST PLANNING
2101 HENN BLDG
MPLS MN
55405

HART PATRICK V
112 E LIBERTY BOX 3271
MANKATO MN
56001

HEIM PAUL
1320 SOO LINE BLDG
MPLS MN
55402

HEINTZ MARY ELLEN
PO BOX 599
CINCINNATI OH
45201

HILL JIM ASSOC. MILK PROD.
7850 METRO PARKWAY
MINNEAPOLIS MN
55420

HINRICHSEN PATRICK
MANKATO FREE PRESS
MANKATO MN
56001

HOPKINS WM. B. DIR. MISCCA
3915 GOLDEN VALLEY ROAD
GOLDEN VALLEY MN
55422

HORNER WALDORF - KAZIUKEW
PO BOX 3260
ST PAUL MN
55165

HOUSE ED STANDING SUB COMM
RM 109 STATE CAPITOL
ST PAUL MN
55101

HULSTRAND ANDERSON & LARS
PO BOX 130
WILLMAR MN
56201

HUNT JAMES P JR
11470 GALTIER DR
BURNSVILLE MN
55378

HUTCHISON R. M. ANOKA CO. C
COURT HOUSE
ANOKA MN
55303

INGEBRIGTSEN DR K H
23 SE 4TH ST
MPLS MN
55414

INGVALSON VERN MN. FARM BU
3110 WOODDALE DR PO 337
OST PAUL MN
55165

IVERSON DR JOS DEPT ED
ST OLAF COLLEGE
NORTHFIELD MN
55057

IZAAK WALTON LEAGUE MN DI
106 TIMES BLDG 57 S 4TH
MPLS MN
55401

JAIN NIRMAL ENIV PROCESS
1220 GLENWOOD AVE
MPLS MN
55405

JENOS INC
525 LAKE AVE SO
DULUTH MN
55801

JOHNSON CLARENCE IBEW LU 292
3615 37TH AVE S
MPLS MN
55406

JOHNSON M.D. FRUNDT & FRU
BLUE EARTH MN
56013

KABLE RICHARD W
BETHEL MN
55006

KEABLE MIKE
909 6TH AVE N
ST CLOUD MN
56301

KING,TIMOTHY
3333 OAKLAND AVE S
MPLS MN
55407

KLOSTER MARION PEAVEY CO
730 2ND AVE S
MPLS MN
55402

KNUTSON DR KEITH,BIOLOGY DPT
ST CLOUD STATE
ST CLOUD MN
56301

KNUTSON R N GRANNIS ETAL
F J SCHULT BLDG
ST ST PAUL MN
55075

KOPP MRS VERNON
2050 65TH ST E
INVER GR HGHT MN
55075

KRAMER ERNEST W
717 DELAWARE ST SE
MPLS MN
55440

LAKE SUPERIOR INDUSTRIAL BUR
828 FIRST AM. BK. BLDG.
DULUTH MN
55802

LANAHAN E F - SIBLEY CO
184 E 6TH ST
ST PAUL MN
55101

LAPP LAZAR LAURIE ET AL
1200 BUILDERS EXCHANGE
MINNEAPOLIS MN
55402

LARSON C L
3800 MINNEHAHA AVE SO
MPLS MN
55406

LEAGUE WOMEN VOTERS OF MINN
555 WABASHA
ST PAUL MN
55102

LIBBEY LEONARD
BOX 17011 NOKOMIS STA
MPLS MN
55417

LOOS CALVIN J
6809 LYNDALE AVE SO
MPLS MN
55423

LOWE DOUG
2701 N LEXINGTON AVE
ROSEVILLE MN
55113

MCDONALD PHILIP M
2077 SELBY AVE
ST PAUL MN
55104

MCFADDEN G H DISPATCH-PR
55 E 4TH ST
ST PAUL MN
55101

MALONE E I COMM LABOR & I
444 LAFAYETTE RD 5TH FL
ST PAUL MN
55101

MANTHEY T J PICKANDS MATHER
1100 SUPERIOR AVE
CLEVELAND OH
44114

MASTOR & MATTSON LTD
315 PEAVEY BLDG
MPLS MN
55402

MECCA
867 GRAND AVE
ST PAUL MN
55105

MEIEROTTO, JOAN
1794 SO LEXINGTON
ST PAUL MN
55118

METROPOLITAN COUNCIL LIBRARY
300 METRO SQUARE
ST PAUL MN
55155

MIDLAND GLASS- HD SPURLIN
PO BOX 69
SHAKOPEE MN
55379

MPLS CHAMBER COMM TRANSP DPT
15 S 5TH ST
MPLS MN
55402

MPLS CITY ATTORNEY
325M CITY HALL
MPLS MN
55415

MIDLAND GLASS-HD SPURLING
PO BOX 69
SHAKOPEE MN
55379

MILLER PAUL J PHARMACY SE
ST MARYS HOSP
ROCHESTER MN
55901

MINN AFL-CIO, L O LA SHOMB
414 AUDITORIUM ST
ST PAUL MN
55102

MINN ASPHALT PAVEMENT ASS
555 WABASHA RM 209
ST PAUL MN
55102

MINN. ASSN. PET RETAILERS
1115 2ND AVE. SO.
MINNEAPOLIS MN
55403

MINN ASSN WATERSHED DIST'

ADA MN
56510

MINN COMMUNITY DEVELOP SERV
512 ROSSMOR BLDG
ST PAUL MN
55101

MINN COUNCIL STATE EMP NO
475 RICE ST
ST PAUL MN
55103

MINN ELECTRICAL ASSN INC
525 SO 7TH
MPLS MN
55415

MINN ENV LAW INST INC
PO BOX 15076 COMM STA
MPLS MN
55415

MINN HEREFORD-LJ SCHAFER

BUFFALO LAKE MN
55314

MINN. HOTEL & MTR. ASSN
2001 UNIVERSITY AVE
ST PAUL MN

MINN LAND USE COMMITTEE
4344 IDS CENTER
MPLS MN
55402

MINN LP GAS ASSN
7515 WAYZATA BLVD 106
MPLS MN
55426

MINN PETROLEUM COUNCIL
1020 NORTHERN FED BLDG
ST PAUL MN
55102

MINN POULTRY & HATCHERY A
BOX 158
MADELIA MN
56062

MINN RETAIL FEDERATION
7600 PARKLAWN STE 457
MPLS MN
55435

MINN RETAIL HARDWARE ASSN
3033 EXCELSIOR BLVD 313
MPLS MN
55416

MINN SOC CERTIFIED PUB ACCTS
1102 WESLEY TEMPLE BLDG
MPLS MN
55403

MINN STATE BAR ASSN
100 MINN FED BLDG
MPLS MN
55402

MINN STATE CAPITOL EMP UNION
PO BOX 3215
ST PAUL MN
55165

MINN STATE MED ASSN
375 JACKSON ST
ST PAUL MN
55101

MINN TBR PRODUCERS ASSN
200 CHRISTIE BLDG
DULUTH MN
55802

MINN. TURKEY GROWERS ASSN
2383 UNIV AVE
ST PAUL MN
55114

MINN-WISC BOUNDARY AREA COMM
600 2ND ST
HUDSON WI
54016

MN PUB INT RESEARCH GROUP
3036 UNIV AVE SE
MPLS MN
55414

MOONEY, MICHAEL A.
BOX 903, ST. JOHN'S UNIV
COLLEGEVILLE MN
56321

MORTON BUILDINGS INC
R #1
FOLEY MN
56329

NASS GEO V HENN CO GEN HO
5TH AND PORTLAND AVE
MPLS MN
55415

NATL FAMILY INS CO
2147 UNIV AVE
ST PAUL MN
55114

NAT'L SOLID WASTES-R. GRA
1730 RHODE ISLAND AV. NW
WASHINGTON DC
20036

NEDELL HAROLD - MEINEKE
6300 W LOOP S SUITE 200
BELLAIRE TX
77401

NESBITT JOHN
7851 METRO PKWY S 118
MPLS MN
55420

NO SUB MONTESSORI-S SADDLER
2487 HELEN COURT
NO ST PAUL MN
55109

NORTH CENTRAL ELEC ASSN
PO BOX 202
BATTLE LAKE MN
56515

NUTTER JULIA
743 W MONTANA
ST PAUL MN
55117

NW BELL TEL CO LEGAL DEPT
224 S 5TH ST RM 2000
MPLS MN
55402

OCONNOR GREEN THOMAS ET AL
845 NW BANK BLDG
MPLS MN
55402

OFFICE OF THE GOVERNOR
130 STATE CAPITOL
ST PAUL MN
55101

OSTRUM DONALD E
10213 PIERCE ST NE
BLAINE MN
55434

OTTER TAIL POWER CO.
215 S. CASCADE ST.
FERGUS FALLS MN
56537

PAYNE COL ALVIN

DEGRAFF MN
56233

PAYNE WM B
2400 FIRST NATL BK BLDG
MPLS MN
55402

PFEIFER AND SHULTZ, INC
1433 UTICA AVE S
MPLS MN
55416

PHAR MFGRS ASSN WM D PATT
1155 15TH ST NW
WASHINGTON DC DC
20005

PORTER LYLE O

TRACY MN
56175

PORT AUTH CITY OF ST PAUL
330 MINNESOTA BLDG
ST PAUL MN
55101

PRAUSE JOS.C.
2220 105TH AVE.N.W.
COON RAPIDS MN
55433

PROCTOR&GAMBLE L THEOHAR
IVORYDALE TECH CENTER
CINCINNATI OH
45217

QUIRIN E W
408 HWY BLDG
ST PAUL MN
55155

RAUENHORST CORP-C ANDERSON
7900 XERXES S. S-2200
MPLS MN
55431

RED OWL STORES INC
215 E EXCELSIOR AVE
HOPKINS MN
55343

RAMSEY CO MEDICAL SOCIETY
1500 LOWRY MEDICAL BLDG
ST PAUL MN
55102

RICHARDSON THOS
7851 METRO PKWY S 103
MPLS MN
55420

ROBBIE JOSEPH
904 CARGILL BLDG NO CTR
MPLS MN
55402

ROBERTS DAVID E
1260 NW NATL BK BLDG
ST PAUL MN
55101

SAN SIMEON DEVELOP CORP
OLD 1ST STATE BK BLDG
PAYNESVILLE MN

SAX DOVE & STENSON
310 ENDICOTT BLDG
ST PAUL MN
55101

ST PAUL ASSN PLBG HTG MEC
614 AM NATL BK
ST PAUL MN

SCARBOROUGH WILLIAM
DIV.ED. U.M.
MORRIS MN
56267

SCHLICHT REV ROBT
611 W MAIN ST
BELLE PLAINE MN
56011

SCHMIDT LARRY WCCO-TV NEWS
50 S 9TH ST
MPLS MN
55402

SCHNEIDER MAHLON
GREEN GIANT
LESUEUR MN
56058

SCHWERMAN EARL JR
1535 8TH AVE SE
ROCHESTER MN
55901

SCHWINN ROBT.P.
1400 SOO LINE BLDG.
MPLS. MN
55402

SENATE COUN OFF J ST MARIE
STATE CAPITOL
ST PAUL MN
55101

SENATE FINANCE COMMITTEE
113 STATE CAPITOL
ST PAUL MN
55101

SHARP BOB
4125 HIGHWOOD RD
ST LOUIS PK MN
55416

SHAW ROBERT M
616 MOBIL OIL BLDG
MPLS MN
55402

SKELLY OIL CO R R WELLINGTON
PO BOX 436
KANSAS CITY MO

SLOCUM CHARLES A
1203 IDS TOWER
MPLS MN
55402

SNELL LYN
BOX 314
EDEN VALLEY MN
55329

SNYDER ROBERT W
248 CO B U OF M
ST PAUL MN
55101

STATE BD.BARBER EXAMINERS
555 WABASHA
ST PAUL MN
55102

STATE BD VETERINARY EXAMI
C/O DR A C SPANNAUS DVM
WACONIA MN

STENSLAND M.E. PRES. MVMA
203 NW 22ND ST.
AUSTIN MN
55912

STOLPESTAD BROWN & SMITH
1550 NW BK BLDG
ST PAUL MN
55101

SUMMIT NATL BANK D L MORRILL
205 AURORA AVE
ST PAUL MN
55103

SUSSEL CO.ATTN:TED SCHWEN
1850 COMO AVE.
ST PAUL MN
55108

SWANSON GERALD H
212 CITY HALL
ROCHESTER MN
55901

SWEITZER R L HONEYWELL IN
2701 4TH AVE S
MPLS MN
55408

THOMPSON CONRAD
1107 23RD ST NW
ROCHESTER MN
55901

THOMPSON HESSIAN ET AL
1500 MIDWEST PLAZA BLDG
MPLS MN
55402

TWIN CITY RETAIL DRUGGIST AS
2388 UNIV AVE
ST PAUL MN
55104

VAN CLEVE JOHN H
2101 HENN AVE
MPLS MN
55405

VAN DRAKE STEPHEN R
BOX 353
PELICAN RAPID MN
56572

VAN EVERA MUNDT ET
700 TORREY BLDG
DULUTH MN
55802

VERRILL JOHN E
DEPT SECONDARY ED UOF M
DULUTH MN
55812

VOSS REV GORDON O
11120 NE 7TH ST
BLAINE MN
55434

VOS LEROY
2137 BURNS AVE
ST PAUL MN
55119

WALIGORA ROBERT
3228 SO 17TH AVE
MPLS MN
55407

WALTERS THOS H
4510 W 77TH ST STE 235
MPLS MN
55435

WESTIN CHAS W
220 MEDICAL ARTS BLDG
DULUTH MN
55802

WHITING RALPH
555 WABASHA SUITE 204
ST PAUL MN
55102

WILEY ENTERPRISES
101 5TH AVE SE
OSSEO MN
55369

WILSON R GARY PPG INDUSTR
1 GATEWAY CENTER
PITTSBURGH PA
15222

WOZNIAK D D
401 FIRST FED BLDG
ST PAUL MN
55101

WYANT CLINTON W ATTY

ATKIN MN
56431

VILLAGE OF WOODBURY-POSTRUNG
561 TOWER DRIVE
NEWPORT MN
55055

VOLDNESS PERRY
IDS 8TH & MARQUETTE
MPLS MN
55402

WALD JEAN
5746 SANDER DR
MPLS MN
55417

WANQUIST ALLEN
RM 252 FEDERAL BLDG
ST PAUL MN
55101

WELK G V NORTHERN STATES
414 NICOLLET MALL
MPLS MN
55401

WHITLOCK A G
ECON LAB OSBORN BLDG
ST PAUL MN
55102

WM.MITCHEL COLLEGE LAW LI
2100 SUMMIT AVE.
ST.PAUL MN
55105

WIS FEEDER PIG MARKET CO-OP

FRANCIS CREEK WI

WOLKERSTORTER THEODORE
676 17TH AVE NW
NEW BRIGHTON MN
55112

SCHUTZ LINDA
RM 328 CAPITOL BLDG
ST PAUL MN
55155

SCHWARTAU NEAL METH HOSP
201 W CENTER ST
ROCHESTER MN
55901

ALBERT,AA CALDER CORP
366 JACKSON ST
ST PAUL MN
55101

AM INST PROF GEOLOGISTS
2201 PRINCETON AVE
ST PAUL MN
55105

ANCHOR BLOCK COMPANY
PO BOX 3360
ST PAUL MN
55165

ANDERSON HAROLD
BOX 3047
MANKATO MN
56001

ANDERSON JAMES
7703 NORMANDALE RD
MPLS MN
55435

ARNOLD ROBERT MESPA
41 SHERBURNE
ST PAUL MN
55103

ARROWHEAD REGIONAL DEV COMM
900 ALWORTH BLDG
DULUTH MN
55802

ASSOCIATED GEN CONTROF MN
48 E 8TH STREET
ST PAUL MN
55101

ASSOCIATED INDUST OF MPLS
NATIONAL BLDG
MPLS MN
55402

AUTOMOBILE MFRS ASSN INC
55 SHERBURNE AVE
ST PAUL MN
55103

BARRETT FRED
ST LOUIS CO COURT HOUSE
DULUTH MN

BARKER KENT
8100 34TH AVE SO
MPLS MN
55420

BEECHER EVERETT
10 10 1ST ST SO
HOPKINS MN

BEMIDJI STATE COLLEGE
PLACEMENT BUR.J.C.BRADY
BEMIDJI MN
56601

BEST FLANAGAN ET AL
1ST NATL BANK BLDG
MPLS MN
55402

BEUTEL ROBERT
2200 SILVER LAKE RD
NEW BRIGHTON MN
55112

BREHL JAMES W
332 HAMM BLDG
ST PAUL MN
55102

BRIGGS & MORGAN - B F FRIEL
2200 W 1ST NATL BK BLDG
ST PAUL MN
55101

BROOKS WILLIAM F JR
854 MIDLAND BK BLDG
MPLS MN
55401

BROWN D M GOODRIDGE PUB SCH
IND DIST #561
GOODRIDGE MN
56725

BUCHHOLTZ CHARLES
5044 BRENT AVE E
INV GRV HTS MN
55075

BURGER ALBERT
600 DEGREE OF HONOR BLD
ST PAUL MN
55101

BUSCH NOEL
3131 FERNBROOK LANE N
MPLS MN
55441

CARLSON CARL L
7516 80TH ST S
COTTAGE GROVE MN
55016

CARLSON VERNE E
BOX 755 CITY HALL
WILLMAR MN
56201

CENTRAL MN REGIONAL DEV COMM
1139 FRANKLIN AVE
SAUK RAPIDS MN
56379

CHAMBER OF COMMERCE
30 SO 1ST AVE EAST
ELY MN
55731

CHRISTIAN SCI COMM ON PUB
1821 UNIV AVE SUITE 271
ST PAUL MN
55104

CHRISTIANSEN FREDRIK
RM 505 CAPITOL SQ BLDG
ST PAUL MN
55155

CLARKSON J.B.
2350 I.D.S. CENTER
MINNEAPOLIS MN
55402

CLAUSEN PHILLIP
[redacted] 2307 Standish
ST PAUL MN 2307 Standish St.
55108

COMMUNITY DESIGN CENTER
118 E 26TH ST
MPLS MN
55404

CONCORDIA COLLEGE
DEAN
MOORHEAD MN
56560

COX AND KING
600 BUILDERS EXCH
MPLS MN
55402

CRAVEN NORMAN
10637 THOMAS AVE S
BLOOMINGTON MN
55431

DAILEY THOMAS ECONOMICS LAB
370 WABASHA ST
ST PAUL MN
55102

DANIELSON RODNEY L
418 AUDITORIUM
ST PAUL MN
55102

DAYTON CHAS SIERRA CLUB
800 MIDLAND BANK BLDG
MPLS MN
55401

DISPATCH PIONEER PRESS
PRESS RM STATE CAPITOL
ST PAUL MN
55101

DORSEY MARQUART
2400 1ST NATL BANK BLDG
MPLS MN
55402

DOYTON MAURICE, MET SEWER BD
350 METRO SQ BLDG
ST PAUL MN
55101

DUDLEY E H
RT 7 BOX 122
EXCELSIOR MN
55331

EBELING EDWARD H.
161 W. MAIN
PERHAM MN
56573

ELDRED R W ARMOUR & CO
UNION STOCK YARDS
SO ST PAUL MN
55075

ELMER EDWIN W
2901 PLEASANT AVE
MPLS MN
55408

ERDMAN ROGER TENNANT CO
701 N LILAC DR
MPLS MN
55441

ERNEST K LEHMANN & ASSOC.
1409 WILLOW ST.
MPLS MN
55403

EVERETT JERRY NW PETRO ASSN
512 NICOLLET MALL RM917
MPLS MN
55402

EWALD DOUGLAS MINN HOSP ASSN
2333 UNIV AVE SE
MPLS MN
55414

FAEGRE & BENSON ATTN LIBR
[redacted] NW BANK BLDG 1300
MPLS MN
55402

FARMERS ELEVATOR ASSN
852 GRAIN EXCH BLDG
MPLS MN
55415

FINLEY JAMES F
920 MINN BLDG
ST PAUL MN
55101

FINNEGAN J.R.
55 E. 4TH
ST.PAUL MN
55101

FITZGERALD DR BOB
3007 LYNDALE AVE SO
MPLS MN
55408

FORBES GORDON MINN RRS ASSN
203 HANOVER 480 CEDAR
ST PAUL MN
55101

FRANKLIN ROBERT B MPLS TRIB
426 PORTLAND
MPLS MN
55415

FREDIN CONRAD M
811 FIRST NATL BK BLDG
DULUTH MN
55802

FURLONG DR JOHN
RT 1
BOVEY MN
55709

F W WOOLWORTH CO
3316 W 66TH ST
EDINA MN
55424

GARDNER HDW - R A JOHNSON
515 WASHINGTON AVE N
MPLS MN
55401

GEBERT K L
220 GRAIN EXCH
MPLS MN
55415

GEORGE K GRANSE CO
1477 SELBY AVE
ST PAUL MN
55104

GIEL DAVID
RM B-28 STATE CAPITOL
ST PAUL MN
55155

GODIN RALPH J
3824 47TH AVE SO
MPLS MN
55406

GRAHAM THOS H
854 MIDLAND BK BLDG
MPLS MN
55401

GREEN GARY J
41 SHERBURNE AVE
ST PAUL MN
55102

GREEN JANET
9773 N SHORE DR
DULUTH MN
55804

H B FULLER CO
2400 KASOTA AVE
ST PAUL MN
55108

HAROLD J WESTIN CONSTRUCTORS
45 E 8TH ST
ST PAUL MN
55101

HARVEY MICHAEL
1390 W M HAHA PKWY
MPLS MN
55409

HEALTH MANPOWER C LARSON
717 DELAWARE ST SE
MPLS MN
55440

HENTHORN GARY WOODSTOCK
7365 LANDAU DR
BLOOMINGTON MN
55438

HARTFELDT WILL
434 HAMM BLDG
ST PAUL MN
55102

HEAD & TRUHN
1007 SOO LINE BLDG
MPLS MN
55402

HEISENFELT WM
BOX 516
BEMIDJI MN
56601

HICHINGER-MARK PLANNING
421 WABASHA ST
ST PAUL MN
55102

HOLDAHL SCOTT
380 N BLDG GRAIN EXCH
MPLS MN
55415

HOLMES EUSTIS ET AL
4610 IDS CENTER
MPLS MN
55402

HOULE MELVIN
881 W HWY 96
SHOREVIEW MN
55112

HOUSE APPROPRIATIONS COMM
RM 109 STATE CAPITOL
ST PAUL MN
55101

HULTMAN WARREN R
C/O BARBAROSSA R3
OSSEO MN
55369

HUMAN RIGHTS
200 CAPITOL SQ BLDG
ST PAUL MN
55101

HYLAND DEAN
1501 W 50TH ST
MPLS MN
55419

INS FED OF MINN
902 SOO LINE BLDG
MPLS MN
55402

IUOE LOC 49 CHAS SWENSON
2580 UNIV AVE
ST PAUL MN
55101

JACKMAN DONALD G
4023 E LAKE ST
MPLS MN
55406

JENSEN CARL A
127 E MAIN ST
SLEEPY EYE MN
56085

JOHNSON & SANDERSON
ST MARYS HOSPITAL
ROCHESTER MN
55901

JOHNSON LANCE J
265 S LAFAYETTE RD
ST PAUL MN
55107

KEENAN RICHARD J
4444 IDS BLDG
MPLS MN
55402

KIMBALL ROBERT
647 CAPITOL SQ BLDG
ST PAUL MN
55101

KLUZ STEVEN J
1910 1ST NATL BK BLDG
MPLS MN
55402

KNOPP TIMOTHY
COLLEGE FORESTRY U OF M
ST PAUL MN
55108

KNVDSON ROBT
4375 BROWNDALE AVE
MPLS MN
55424

KOLLER MR & MRS ERWIN A
1568 DULUTH ST
ST PAUL MN
55108

KRONLOKKEN J E
10048 NORD RD
BLOOMINGTON MN
55437

LANGVIN DAVID
7500 80TH ST S
COTTAGE GROVE MN
55016

LANSING & OAKES
400 SIBLEY ST
ST PAUL MN
55101

LARSON HANS P DIV HOSP SERV
717 DELAWARE ST SE
MPLS MN
55440

LEAGUE MN MUNIC
300 HANOVER 480 CEDAR
ST PAUL MN
55101

LINDALL & JONATHAN DEVELOP.
VILLAGE ONE CENTER
CHASKA MN
55318

LOCKNER GARY
R R 1 BOX 23
BAUDETTE MN
56623

LYNCH DONALD SIBLEY CO
184 E 6TH ST
ST PAUL MN
55102

MCKIBBON MRS SHIRLEY
11 EVERGREEN LN
BABBITT MN
55706

MCLELLAN LARKIN
215 ADM BLDG ST CAPITOL
ST PAUL MN
55101

MANKATO STAT STUDENT SENATE
CENTENNIAL STUDENT UN
MANKATO MN
56001

MANKATO STATE STUDENT ASSN
BOX 58 MANKATO COLLEGE
MANKATO MN
56001

MAUL WARREN E
320 S 4TH ST
MPLS MN
55415

MAYO FOUNDATION G OFWOLL
200 FIRST AVE NW
ROCHESTER MN
55901

MERRITT GRANT POLLUTION CONT
1935 W CO RD 32
ROSEVILLE MN
55113

MET TFR MEN ASSN A ROSENTHAL
1821 UNIV AVE
ST PAUL MN
55104

MILLER RICHARD A
1020 PLYMOUTH BLDG
MPLS MN
55402

MILLER TOM
2311 PILLSBURY AVE S
MPLS MN
55404

MPLS STAR PRESS ROOM
STATE CAPITOL
ST PAUL MN
55101

MPLS TRIBUNE CITY DESK
425 PORTLAND AVE
MPLS MN
55415

MINN APT ASSN
GRIGGS-MIDWAY BLDG
ST PAUL MN
55104

MN. ASN.C&IND H.D.PETERSON
480 CEDAR ST.
ST.PAUL MN
55101

MINN ASSN COOPERATIVES
55 SHERBURNE AVE
ST PAUL MN
55103

MINN ASSN ELEC COOPERATIVES
4501 W 77TH ST
MPLS MN
55435

MINN AUTOMOBILE DEALERS ASSN
GRIGGS MIDWAY BLDG
ST PAUL MN
55104

MINN COMM FOR HANDICAPPED
METRO SQ 492 7TH & ROBT
ST PAUL MN
55101

MINN DEPT HEALTH J C MCKASY
717 DELAWARE S E
MPLS MN
55440

MINN DENTAL HYGIENISTS
5041 YVONNE TERRACE
MPLS MN
55436

MINN FARMERS UNION PRES OFF
1275 UNIV AVE
ST PAUL MN
55104

MINN FOOD RETAILERS ASSN
555 WABASHA
ST PAUL MN
55101

MINN HOUSING INST N T CARTER
7801 METRO PKWY
MPLS MN
55420

MINN HWYS MANAGEMENT SERVICE
407 HWY BLDG
ST PAUL MN
55101

MINNE MINE CREDIT UNION
3000 HUDSON PK S 100
ST PAUL MN
55119

MINN.MTR.TRANSP. .J.N.DENN
1821 UNIV.
ST.PAUL MN
55104

MN REP STATE CENTRAL COMM
555 WABASHA AVE
ST PAUL MN
55102

MINN RESTAURANT ASSN
2001 UNIVERSITY AVE.
ST PAUL MN 55
104

MINN SCH BUS OPERATORS ASSN
FARIBAULT MN
55021

MINN SOCIETY ARCHITECTS AIA
NW NATL BK BLDG
ST PAUL MN
55101

MINN ST BD PHAR P G GRUSSING
1965 FORD PKWY
ST PAUL MN
55116

MINN STATE BD PHARMACY
717 DELAWARE ST SE #351
MPLS MN
55414

MINN STATE RETIREMENT SYSTEM
529 JACKSON ST
ST PAUL MN
55101

MINN TEAMSTERS CREDIT UNION
2021 HENN AVE E
MPLS MN
55413

MINN VETERANS MED ASSN
2175 W HWY 36
ROSEVILLE MN
55113

MINN WATER RESOURCES BD
RM 206 555 WABASHA ST
ST PAUL MN
55102

MOFFITT R.C. DIR.ENV.CONTROL
MPLS.CITY HALL RM 301M
MPLS MN
55415

MOOD R BLOOMINGTON HLTH DEPT
10200 PENN SO
BLOOMINGTON MN
55431

MPIRG
BOX 45 ST MARYS COLLEGE
WINONA MN
55987

MUELLER SHIRLEY A
787 W COTTAGE AVE
ST PAUL MN
55117

NATL CAR RENTAL ATT D MITZEL
5501 GREEN VALLEY DR
MPLS MN
55437

NATL COUNCIL JEWISH WOMEN
4330 CEDAR LK RD
MPLS MN
55416

NCEC INC C/O DR DAHLBERG
CONCORDIA COLLEGE
MOORHEAD MN
56560

NELSON DONALD E NSP CO
414 NICOLLET AVE
MPLS MN
55401

NEUMAN RALPH W
RT 2 BOX 125
EMBARRASS MN
55732

NIELSEN STOCK & BLACKBURN
415 73C BLDG
MPLS MN

NW COUNTRY ELEVATOR ASSN
802 GRAIN EXCH BLDG
MPLS MN
55415

NURSING HOME ADMRS BD EXAMRS
277 W UNIV AVE
ST PAUL MN
55103

NYQUIST DEAN A
3707 53RD PL N
BROOKLYN CTR MN
55429

O'BRIEN J.DENNIS
1100 1ST NATL. BANK BLDG
MINNEAPOLIS MN
55402

OLD COLONY GAS & OIL COMPANY
17TH AVE N AT 2ND ST
MPLS MN
55411

OLOFSON ARTHUR MBO & MAINC
927 SCO LINE BLDG
MPLS MN
55402

PATTISON ORVIS
BOX 645
WILLMAR MN
56201

PETERSON JOHN W
510 NW BK BLDG
ST PAUL MN
55101

PETERSON GARY
854 MIDLAND BK BLDG
MPLS MN
55401

PHILLIPS LEGISLATIVE SERVICE
459 RICE ST
ST PAUL MN
55103

POPOVICH PETER S
314 MINN BLDG
ST PAUL MN
55101

POSS DONALD G
6301 SHINGLE CREEK PKWY
BROOKLYN CTR MN
55430

POYZER ROBT
BOX 675
FERGUS FALLS MN
56357

PULSCHER RBT SPRINGSTED INC
813 OSBORN BLDG
ST PAUL MN
55102

RADMAN RICHARD-LABOR TEMPLE
418 AUDITORIUM
ST PAUL MN
55102

RANALLO CLARENCE
800 CENTRAL AVE N E
MPLS MN
55413

REID DAVID H
5633 WASHBURN AVE S
MPLS MN
55410

RENNER R.H. ST PAUL AREA CC
300 OSBORN BLDG.
ST PAUL MN
55102

RICHARDS MONTGOMERY ET AL
1430 RAND TOWER
MPLS MN
55402

ROE DAVID
175 AURORA
ST PAUL MN
55103

ROSS ALFRED
6356 WARE RD
LINO LAKES MN
55014

RUDY FLOYD
118 AVE C
CLOQUET MN
55720

SANFORD SID
7000 PORTLAND AVE
RICHFIELD MN
55423

SATHRE, HARVEY
375 MARION STREET
ST PAUL MN
55103

ST PAUL BUR HLTH DR P COX
555 CEDAR ST
ST PAUL MN
55101

ST PAUL FOOD RETAILERS ASSN
1220 ARCADE
ST PAUL MN
55106

SCHMIDT D R MN ASSN REALTORS
6101 WAYZATA BLVD
MPLS MN
55416

SCHMIDT H W TCHRS RETIREMENT
302 CAPITOL SQ BLDG
ST PAUL MN
55101

SCHUTZ LINDA
RM 328 CAPITOL BLDG
ST PAUL MN
55155

SCHWARTAU NEAL METH HOSP
201 W CENTER ST
ROCHESTER MN
55901

SCHNEIDER & NEESER
706 1ST ST SO PO BX 876
WILLMAR MN
56201

SCHROEDER ALFRED H
2172 CARROLL AVE
ST PAUL MN
55104

SENATE GOV OP COMM
RM 303 STATE CAPITOL
ST PAUL MN
55155

SHABATURA EUGENE H
2833 LAKE AVE SO
DULUTH MN
55811

SHELL OIL CO. W.A. ROQUET
ONE SHELL PLAZA BX 2463
HOUSTON TX
77001

SITE ENGINEERS INC
900 REDWELL LANE
APPLE VALLEY MN
55124

SMERIKA WM.
BOISE CASCADE PAPERS
INTL FALLS MN
56649

SMITH MICHAEL
1423 NEWTON AVE N
MPLS MN
55411

SODERMAN ANTHONY
152 S PLAZA BLDG
MPLS MN
55416

STANSFIELD ARLENE LAND OLKS
PO BOX 116
MPLS MN
55440

STD AM LIFE & ANNUITY CO
3801 W 50TH ST
MPLS MN
55410

STEELWORKERS CREDIT UNION
BOX 250
BABBITT MN
55706

STUPKA & MOREM
MIDTOWN BLDG
AUSTIN MN
55912

SULLIVAN J KIRK
PO BOX 200
BOISE ID
83701

SWANSON BURT E
W-2162 1ST NATL BK BLDG
ST PAUL MN
55101

SWANSON DALE
P O BOX 339
FOREST LAKE MN
55025

TATE VERN 3M CO
3M CENTER 220/6W
ST PAUL MN
55101

TIMESAVERS INC ATT R S VOLD
5270 HANSON COURT
MPLS MN
55422

TOUCHE ROSS & CO K H STOCKE
780 NORTHSTAR CNTR
MPLS MN
55402

UNION STOCK YARDS
ATTN PRES
SO ST PAUL MN
55075

Ho, Robt. P. 1020 Dain Tower, Mpls. 55402

erican Central Corp. 6950 France Ave. South, Edina, Minnesota 55435

ison-Williams Company, Attn. Willys P. Jones, NW Bk. Bldg., Mpls. 55402

quist & Lowe.., 6800 France AVe. S., Mpls 55435

cherd, Wm. F.,W-1781 1st Natl. Bk. Bldg., St. Paul 55101

che & Co., Attn. Fred R. Gamble, Soo Line Bldg. Mpls. 55402

ckstrom, James C., 940 Midland Bk. Bldg., Mpls. 55401

itz, Ms. Toni A., 2400 1st Natl. Bk. Bldg., Mpls. 55402

rde, M., 610 Midwest Plaza Bldg., Mpls. 55402

id, Ronald E., 954 Midland Bk. Bldg., Mpls. 55401

anson, Lindley, 300 Roanoke Bldg., Mpls. 55402

rns, William M., W-1781 1st Natl. Bk. Bldg., St. Paul 55101

ldwell Phillips, Inc., Attn. Walter R. Hansen, 1st Natl. Bk. Bldg. St.Paul 55101

sey, Everett, Quality Inns. 10750 Columbia Pike, Silver Springs, Md. 20901

innock, Dwight, 151 W. Burnsville Crosstown, Burnsville 55337

ark, Dodge & Co., Inc., Attn. Albert H. Hedding,Jr.,1635 Cargill Bldg. Mpls. 02

x, David, Leonard, Street & Deinard, 800 F & M Bk Bldg.,520 Marq.,Mpls 55402

in, Kalman & Quail, Attn. Wayne Fadden, 100 Dain Tower,Mpls. 55402

vidson, Robt L. 2850 Metro Dr,Suite 504, Mpls (Bloomington) 55420

an Witter & Co. Inc., Attn. George A. Hust, 519 Marquette Ave., Mpls. 55402

Laney, Patrick, 4444 IDS Center, 80 South Eighth St. Minneapolis, Minn.55402

Pasquale, Benn, Foley & Lardner, 735 N Water St, Milwaukee,Wisc.53202

nwiddie, Harry E., IDS Corp., IDS Tower, Mpls. 55402

dley, Joseph J., W-1260 1st Natl Bk. Bldg., St. Paul 55101

stman, Dillon et al, Attn. Harold D. Covlin, 2000 Midwest Plaza, Mpls. 55402

stman Dillon Union Sec. & Co., Attn. Milton Van Riper, 1 Chase Manhattan Plaza, New York 10005

de, David B., 1608 IDS Center, Mpls. 55402

lander, Rose, 2867 James Ave. S., Mpls. 55408

inberg-Rosenberg, Robbins, Davis & Lyons, 33 S. 5th St., Mpls. 55402

ancis I. duPont & Co., Attn. Donald R. Melyon, 100 1st Natl. Concourse Bldg., Mpls. 55402

irchild, Robt., 7900 Xerxes Ave. So., Suite 203, Mpls. 55431

aten, John, 1910 1st Natl. Bk. Bldg., Mpls. 55402

ranke, Jerome E., 211 Roseville Professional Center,2233 N Hamline.St Paul 55113

rrity, Robert W., 715 Midland Bk. Bldg., Mpls. 55401

eneral Development Corp.Att. S.Raskin,Adv.Dept.,1111 S Bayshore Dr,Miami,Fla 33131

rdon, Avron, 2200 Dain Tower, Mpls. 55402

eensweig, Bernard, 4940 Viking Dr., Mpls. 55435

zy, Robt., 3700 Central Ave. NE, Mpls. 55421

ardee's Food Systems Inc., 1233 N Church St., Rocky Mount, N.D. 27801

rris, Upham & Co., Attn. Trading Dept , NW Bk. Bldg. Mpls. 55402

imerl, Richard C., Craig-Hallum, Inc. 133 S. 7th St., Mpls. 55402

mretta, Friedell et al 4644 IDS Center, 80 S 8th St., Mpls. 55402

llstrom, Kircher et al, 1710 Soo Line Bldg, Marquette at 5th, Mpls. 55402

rstein, Elliot J., 621 N Lilac Dr., Mpls. 55422

rnblower & Weeks-Hamphill, Noyes, Attn. John E. Pedderson, 230 Roanoke Bldg., Mpls. 55402

Hoelter, Timothy, White Hirschboeck et al,2100 Marine Plaza,Milwaukee, Wis.5320
Huffman, Richard W., 1810 IDS Center, Mpls. 55402

Hutton, David, 4328 IDS Center, Mpls. 55402
Intl Multifoods, Att.G.W.Haight 1200 Multifoods B ldg,8th & Marq.,Mpls. 55402
J. Lawrence McIntyre, Doherty, Rumble & Butler, 1500 1st Natl. Bk. Bldg., St. Paul 55101

Jensen, Russell J., Atty., 305 Degree of Honor Bldg., St. Paul 55101

John G. Kinnard and Co.Inc., Attn. Gerald M. Gifford, 740 Northstar Center, Mpls. 55402

John C. DeMoss Ltd., 1701 1st Natl. Bk. Bldg., Mpls. 55402
Kauffman, Howard J., 800 Midland Bk. Bldg., Mpls. 55401
King, Thomas R., Atty., Builders Exch. Bldg., Mpls. 55402

Kidder, Peabody & Co., 1650 IDS Center, Mpls. 55402

Lamson Bros. & Co., Attn. Richard A. Larson, 210 Pioneer Bldg., St. Paul 55101

Langevin, David P., 7500 80th St S., Cottage Grove 55016
Levin, Sidney, 1050 Midland Bk. Bldg., Mpls. 55401
Lowe, James E.,
Lutheran Brotherhood, Law Dept. - Bonnie Nelson, 701 2nd Aven. S., Mpls. 55402
McIntyre, J.Lawrence, 1500 1st Natl Bk Bldg., St Paul 55101
Mairs and Power, Inc., W-2062 1st Natl. Bk. Bldg., St. Paul 55101

Mastor, Mattson, Lindstrom et al, 414 Roanoke Bldg., Mpls. 55402
Marien, Ronald E., 3205 Churchill Dr, Madison, Wis. 53713
Marsh, S. J., 1115 1st Natl. Bk. Bldg., Mpls. 55402

Merrill Lynch, Pierce, Fenner & Smith, Inc., Attn. Paul Stein, 1st Natl Bk. Bldg., St. Paul 55101

Merrill Lynch, Pierce,Fenner & Smith, Inc., Attn. Robert Barry, 70 Pine St., New York 10002

Merrill Lynch, Pierce, Fenner & Smith, Inc.,Attn. Ernest Walbrecker, OTC Div. (same address) N.Y.

Merrill Lynch, Pierce, Fenner & Smith, Inc., Attn. Milton S. Boyce, 210 Cargill Bldg., Mpls. 55402
Milex, Inc., One Plymouth Meeting, Plymouth Meeting, Pa. 19462
Milota, William J., 4955 Queen Ave. So., Mpls. 55410

M. H. Bishop & Co., Inc., Attn. J. T. Brouillette, 830 Midwest Plaza, Mpls. 02
Moore, Juran and Company, Inc.,IDS Center, 80 S. 8thSt,Suite 436,Mpls. 55402
Muirhead, J. A., 7390 France S., Mpls. 55435
Nerness, Elroy, Suite 674, 6800 France Ave S., Mpls. 55435
Northern States Power, H. J. Bagley, 414 Nicollet Mall, Mpls. 55401
O'Brien, James E., 2350 IDS Center, Mpls, Mn 55402
Paine, Webber, et al, Attn. Robert D. Field, Pioneer Bldg., St. Paul 55101

Piper, Jaffray & Hopwood, Inc., Attn. Paul McGough, 115 S. 7th St., Mpls. 55402
Queen's Associates, Inc., 450 N Lexington Ave, St. Paul
Reiter, Arthur E., 797 Ridge St., St. Paul 55116

Reynolds & Co., Attn. John B. Nutt, 629 2nd Ave. S., Mpls. 55402

Ross, Hardies et al, 122 So. Michigan Ave., Chicago, Ill. 60603

Rotman, Jerry F., 520 Roanoke Bldg., Mpls. 55402

Roady, J. Ray, Dept. of Commerce, Occupational Licensing, Pouch D, Juneau, Alaska 99801

Rubin, Steven M., 1220 Minn. Bldg., St. Paul 55101

St. Paul Companies, Inc.,Att.Corporate Law Dept.,385 Washington St,St Paul 55102

Sanford, Earl S., Kidder Peabody & Co., Inc., 703 1st Natl. Bk. Bldg., Mpls. 02

Sander, Robert, Juran & Moody,114 E 7th St., St Paul,55101

Security Schools Inc., 4940 Viking Dr., Rm. 316, Mpls. 55435

Sell, Neil I., 1800 Midwest Plaza Bldg., Mpls. 55402

Sharp, Renate M., St. Paul Companies, Inc., 385 Washington St., St. Paul 55102

Spencer, Archibald, 1200 1st Natl. Bk. Bldg., Mpls 55402

Shearson, Hammill & Co., Inc., Attn. Preston V. Doane, 730 Cargill Bldg., Mpls. 55402

Smith, Barney & Co., Inc., Attn. Miss J. L. Jablonski, 1345 Ave. of the Americas, N.Y. 10019

Strand, Richard E., 120 S. 6th St., Mpls. 55402

Tews, Thomas, 1430 Midwest Plaza Bldg., Mpls. 55402

Thomson & McKinnon Auchincloss Inc., Attn. James R. Bonge, 711 Alworth Bldg., Duluth 55802

Walston & Co., Inc., Attn. J. W. Nyquist, 366 Cedar St., St. Paul 55101

White, Weld & Co., Attn. Harry C. Ervin, Jr., 120 S. 6th St., Mpls. 55402

Wintringham, Hadley W., Kidder, Peabody & Co., Inc., 20 Exchange Pl., NY 10005

Loewi & Co., Attn.Merrill J. Anderson, 507 Marquette Ave. S., Mpls. 55402

Smith, Barney & Co., Inc., Attn. K. C. Joas, 2608 1st Natl. Bk. Bldg., Mpls 02

Yetzer, Vernon J., 4620 W. 77th St., Suite 161, Mpls. 55435

HENTHORN GARY WOODSTOCK	7365 LANDAU DR	BLOOMINGTON	MN	55438
DZUGAN KEN S. PAUL PLANNING	421 WABASHA ST	ST PAUL	MN	55102
HOLMES EUSTIS et al	4610 IDS CENTER	MPLS	MN	55402
JAIN NIRMAL ENVM PROCESS	1220 GLENWOOD AVE	MPLS	MN	55405
KNORR TIMOTHY	College FORESTRY U of M	ST PAUL	MN	55108
GARDNER HDW - RA JOHNSON	515 WASHINGTON AVE N	MPLS	MN	55401
OLOFSON ARTHUR MBO & MA INC	927 SOO LINE BLDG	MPLS	MN	55402
PROCTOR & GAMBLE L THEOHAROUS	IVORYDALE TECH CENTER	CINCINNATI	OH	45217
MINN STATE BD PHARMACY	717 DELAWARE ST SE #351	MPLS	MN	55414
HORNER WALDORF-KAZIUKEWICZ	PO BOX 3260	ST PAUL	MN	55165
WILSON R GARY PPG INDUSTR	1 GATEWAY CENTER	PITTSBURGH	PA	15222

Deleted

WILSON R GARY PPG INDUSTR 1 GATEWAY CENTER PITTSBURGH PA 15222

Ex. C
RKH 7/16/75

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the matter of the Proposed Adoption of Rules and Forms of the State Securities Division of the Department of Commerce Governing Exemptions and other matters pursuant to Minnesota Statutes 1974, Chapter 80A.

AFFIDAVIT OF MAILING

Donna Meza, being first duly sworn, deposes and says:

That on the 11 day of June, 1975, at the City of St. Paul, County of Ramsey, State of Minnesota, she served the attached Notice of Hearing by depositing in the United States mail at said City of St. Paul, a true and correct copy thereof, properly enveloped, with postage prepaid, to all persons and associations at the addresses listed on the attached Certificate of the Secretary of State as well as to all persons listed on the attached sheet as presently being members of the Minnesota Legislature

Donna Meza

Samuel F. Johnson

SAMUEL F. JOHNSON
Notary Public, Hennepin County, Minn.
My Commission Expires,
September 29, 1978

Subscribed and sworn to before me
this 12th day of June, 1975.

STATE OF MINNESOTA

COUNTY OF RAMSEY

BEFORE JOHN R. LARSON

COMMISSIONER OF SECURITIES

In the matter of the Proposed Adoption of Rules and Forms of the State Securities Division of the Department of Commerce, Governing Exemptions and other matters pursuant to Minnesota Statutes 1974, Chapter 80A.

NOTICE OF HEARING

Notice is hereby given that a public hearing will be held pursuant to M.S. 1974, Section 15.0412, in the above-entitled matter, in the Hearings Room of the Department of Commerce, Fifth Floor, Metro Square Building, Seventh and Robert Streets, St. Paul, Minnesota, on Wednesday, July 16, 1975, commencing at 9:00 A.M., and continuing until all representatives of associations or other interested groups or persons have had an opportunity to be heard concerning adoption of the proposed rules captioned above, by submitting either oral or written data, statements or arguments. Statements or briefs may be submitted without appearing at the hearing.

The Commissioner of Securities proposes to adopt rules relating to the following matters: disclosure in oil & gas registrations; rights of participants in oil & gas, cattle feeding, and real estate investment trust registrations; stock option plans; employee stock ownership trusts; stock purchase and pension or profit sharing plans; defining a term in Section 80A.15, Subdivision 1(i); isolated sales; recognized securities manuals; non-exempt status of sales to Small Business Investment Companies; investment intent in exempted exchange offers; exempt status of certain offers of industrial revenue bonds; sales of securities by affiliates of the issuer; disclosure in rescission offers; and other rules affecting the exemptions contained in Section 80A.15. The Commissioner also proposes to adopt numerous forms concerning licensing, registrations and exemptions. Finally, the Commissioner proposes to revoke SDiv. 1-1102 promulgated under the prior Act, Minnesota Statutes 1971, Chapter 80.

Copies of the proposed rules are now available and may be obtained by writing to Allan W. Klein, Minnesota Securities Division, Fifth Floor, Metro Square Building, Seventh and Robert Streets, St. Paul, Minnesota, 55101.

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES DIVISION

John R Larson

JOHN R. LARSON
Commissioner of Securities

REPRESENTATIVES

Dist	Name and Address	Home & Business Phone	Session Phone
38B	**ABELN**, Lyle G. (DFL) *Home: Bloomington, 10930 Thomas Ave. S. 55431 Office: 3524 42nd Ave. S. 55412 Session: 254 State Office Building	612-881-5683 612-724-5461	296-4366
44B	**ADAMS**, Leo (DFL) *Home: Minneapolis, 3657 Maryland Ave. 55427 Office: St. Paul, 2750 W. 7th St. 55116 Session: 353 State Office Building	612-533-5185 612-647-4073	296-4345
42B	**ADAMS**, Salisbury (GOP) *Home: Wayzata, 60 Myrtlewood Rd. 55391 Office: 250 N. Central Ave. 55391 Session: 391 State Office Building	612-473-9763 612-473-4208	296-4342
23A	**ALBRECHT**, Raymond J. (GOP) *Home: Brownton 55312 Session: 322 State Office Building	612-328-5375	296-4318
15B	**ANDERSON**, Glen H. (DFL) *Home: Bellingham, R.R. 56212 Session: 333 State Office Building	612-568-2573	296-4228
3A	**ANDERSON**, Irvin N. (DFL) *Home: International Falls, 909 13th St. 56649 Session: 273 State Office Building	218-283-2416	296-6251
41A	**ARLANDSON**, John R. (DFL) *Home: Golden Valley 1304 S. Tyrol Trl. 55416 Office: 850 Shelard Plaza St. Louis Park 55426 Session: 347 State Office Building	612-374-1144 612-544-1521	296-4312
9A	**BEAUCHAMP**, David (DFL) *Home: Moorhead, 1211 25th Ave. So. 56560 Office: Moorhead State College Session: 352 State Office Building	218-233-0277 218-236-2251	296-4321
6A	**BEGICH**, Joseph R. (DFL) *Home: Eveleth, 1001 W. 2nd St. 55734 Office: Erie Mining Co., Hoyt Lakes Session: 299 State Office Building	218-741-3873 218-225-7263	296-5063
56B	**BERG**, Tom K. (DFL) *Home: Minneapolis, 2112 Newton Ave. S. 55405 Office: 670 Pillsbury Bldg. 55402 Session: 370 State Office Building	612-377-4776 612-333-1333	296-4266
59A	**BERGLIN**, Linda L. (DFL) *Home: Minneapolis, 2309 Clinton Ave. So. 55404 Session: 217 State Office Building	612-874-0085	296-4261
32A	**BIERSDORF**, John S. (GOP) *Home: Owatonna, 409 E. Broadway 55060 Office: 129 E. Broadway 55060 Session: 399C State Office Building	507-451-9077 507-451-1320	296-4332
24B	**BIRNSTIHL**, Orville E. (DFL) *Home: Faribault, R#5, Western Ave. Box 266 55021 Office: Same Session: 224 State Office Building	507-334-7871	296-4217
1A	**BRAUN**, Arthur M. (DFL) *Home: Greenbush 56726 Office: Brauns Motor Service Session: 252 State Office Building	218-782-2386 218-782-2174	296-4258
16B	**BRINKMAN**, Bernard J. (DFL) *Home, Richmond, Box 435 56368 Office: Richmond 56368 Session: 296 State Office Building	612-597-2328 612-597-2323	296-4373
64B	**BYRNE**, Peggy (DFL) *Home: St. Paul 524 Van Buren 55103 Session: 214 State Office Building	612-489-5910	296-4245
58B	**CARLSON**, Arne H. (GOP) *Home: Minneapolis, 4301 Fremont Ave. S. 55409 Office: Same Session: 319 State Office Building	612-827-6495	296-4328
44A	**CARLSON**, Lyndon R. (DFL) *Home: Brooklyn Center 5819 Halifax Ave. N. 55429 Office: 2020 43rd Ave. No. 55412 Session: 288 State Office Building	612-533-0026 612-521-2241	296-4255
14A	**CARLSON**, Roy C. (DFL) *Home: Pine City, 350 8th St., 55063 Office: Same Session: 342 State Office Building	612-629-3151	296-4333
56A	**CASSERLY**, James R. (DFL) Home: Minneapolis, 1100 Vincent Ave. N. 55411 *Office: Fridley, 6441 University Ave. N.E. 55432 Session: 238 State Office Building	612-522-7088 612-560-6870	296-4221
60A	**CLARK**, Janet H. (DFL) *Home: Minneapolis, 3025 Cedar Ave. S. 55407 Session: 344 State Office Building	612-724-8318	296-4354

Dist.	Name and Address	Home & Business Phone	Session Phone
19A	**CLAWSON, John T. (DFL)** *Home: Center City, Box 336 55012 Office: Box 11 55012 Session: 349 State Office Building	612-257-3385 612-257-7184 or 612-464-5090	296-4358
1B	**CORBID, John (DFL)** *Home: Oklee, R.R. 2 56742 Session: 376 State Office Building	218-796-3323	296-4329
22B	**DAHL, Harold J. (DFL)** *Home: Howard Lake 55349 Office: Security State Bank Bldg. 55349 Session: 227 State Office Building	612-543-3416 612-543-3411	296-4218
58A	**DEAN, William D. (GOP)** *Home: Minneapolis, 5225 York Ave. S. 55410 Office: Same Session: 378 State Office Building	612-927-4988	296-4337
10A	**DeGROAT, Frank H. (GOP)** *Home: Lake Park 56554 Session: 317 State Office Building	218-238-6680	296-4308
62A	**DIETERICH, Neil B. (DFL)** Home: St. Paul, 2171 Knapp St. 55108 *Office: Minneapolis, 113 Grain Exchange Bldg. 55415 Session: 385 State Office Building	612-644-6815 612-336-8333	296-4253
8A	**DOTY, Gary L. (DFL)** *Home: Duluth, 116 Parkland Ave. 55805 Session: 360 State Office Building	218-724-2683	296-4347
11B	**FJOSLIEN, David O. (GOP)** *Home: Brandon, Rt. 2 56315 Session: 399 State Office Building	612-524-2415	296-4317
39A	**FORSYTHE, Mary M. (GOP)** *Home: Edina, 4605 Edina Blvd. 55424 Session 377 State Office Building	612-927-6613	296-4363
32B	**FRIEDRICH, Donald (GOP)** *Home: Rochester, R.R. 3 55901 Office: Same Session: 397 State Office Building	507-282-0853	296-4378
55A	**FUDRO, Stanley J. (DFL)** *Home: Minneapolis, 2322 2nd St. N.E. 55418 Session: 372 State Office Building	612-789-9111	296-4377
5A	**FUGINA, Peter X. (DFL)** *Home: Virginia, 5 Merritt Dr. 55792 Session: 336 State Office Building	218-741-7194	296-4374
50A	**GEORGE, Michael (DFL)** *Home: Mahtomedi, 1140 Park Ave. 55115 Session: 213 State Office Building	612-429-5729	296-4238
10B	**GRABA, Joseph P. (DFL)** *Home: Wadena, Box 94, R.R. #1 56482 Office: Wadena Public Schools Session: 335 State Office Building	218-631-1239 218-631-3530	296-4256
62B	**HANSON, Walter R. (DFL)** *Home: St. Paul, 1136 Hague Ave. 55104 Office: 176 E. 5th St. 55101 Session: 228 State Office Building	612-225-5418 612-298-2280	296-4232
36A	**JOPP, Ralph (GOP)** *Home: Mayer, R.F.D. #1 55360 Session: 387 State Office Building	612-353-2484	296-3908
42A	**JUDE, Tad (DFL)** *Home: Mound, 5230 Sulgrove Rd. 55364 Session: 218 State Office Building	612-472-2790	296-4248
57A	**KAHN, Phyllis (DFL)** *Home: Minneapolis, 100 Malcolm Ave. S.E. 55414 Session: 237 State Office Building	612-332-4893	296-4257
33A	**KALEY, J. R. Dick (GOP)** *Home: Rochester, 1409 29th St. N.W. 55901 Office: Hwy 52 and 37th St. N.W. Session: 321 State Office Building	507-282-7187 507-286-2736	296-4359
30A	**KALIS, Henry J. (DFL)** *Home: Walters, Box 55 56092 Session: 239 State Office Building	507-294-3147	296-4240
66B	**KELLY, Randy C. (DFL)** *Home: St. Paul, 1879 E. 7th St. 55119 Office: 3M Co., Old Hudson Rd. Session: 328 State Office Building	612-739-5274 612-733-4200	296-4277
2A	**KELLY, William N. (DFL)** *Home: East Grand Forks,		

Dist.	Name and Address	Home & Business Phone	Session Phone
28B	**ECKSTEIN, A. J. "Tony" (DFL)** *Home: New Ulm, 411 S. State 56073 Office: 618 1st North 56073 Session: 244 State Office Building	507-354-4949 507-354-5310	296-4265
2B	**EKEN, Willis R. (DFL)** Home: Twin Valley 56584 Session: 299C State Office Building	218-584-8109	296-4236
60B	**ENEBO, Stanley A. (DFL)** *Home: Minneapolis, 3304 E. 25th St. 55406 Session: 222 State Office Building	612-729-5445	296-4274
26B	**ERICKSON, Wendell O. (GOP)** *Home: Hills, 56138 Office: Hills-Beaver Creek School Session: 388 State Office Building	507-962-4385 507-962-2440	296-4336
28A	**ESAU, Gilbert (GOP)** *Home: Mountain Lake, 502 9th St. 56159 Session: 318 State Office Building	507-427-3156	296-4348
29A	**EVANS, Ronald G. (GOP)** *Home: Mankato, 1104 Woodland Ave. 56001 Session: 310 State Office Building	507-388-1797	296-4309
40A	**EWALD, Douglas R. (GOP)** *Home: Minnetonka, 15525 Highland Trail 55343 Office: Same Session: 399A State Office Building	612-935-5708	296-4311
63A	**FARICY, Ray W. (DFL)** *Home: St. Paul, 2240 Goodrich 55105 Office: 2302 American Nat'l Bank Bldg. 55101 Session: 242 State Office Building	612-699-4278 612-222-6341	296-4267
35A	**HAUGERUD, Neil S. (DFL)** *Home: Preston 55965 Session: 235 State Office Building	507-765-2494	296-4278
43A	**HEINITZ, O. J. (GOP)** *Home: Wayzata, 2555 Queensland Ln. 55391 Office: Crystal, 5747 W. Broadway Session: 389 State Office Building	612-473-4763 612-533-2113	296-4320
37A	**HOKANSON, Shirley A. (DFL)** *Home: Richfield, 7345 Russell Ave. S. 55423 Session: 234 State Office Building	612-869-1875	296-4239
47A	**JACOBS, Joel (DFL)** *Home: Coon Rapids, 11932 Zion St. 55433 Session: 229 State Office Building	612-755-5740	296-4231
7B	**JAROS, MIKE (DFL)** *Home: Duluth, 162 W. Palm St. 55811 Session: 230 State Office Building	218-727-4077	296-4246
53B	**JENSEN, Robert C. (DFL)** *Home: Farmington, 17837 Flagstaff Ave. 55024 Office: Same Session: 215 State Office Building	612-463-8010	296-4862
23B	**JOHNSON, Carl M. (DFL)** *Home: St. Peter, Rt. 3 56082 Session: 340 State Office Building	507-246-5336	296-4270
6B	**JOHNSON, Douglas J. (DFL)** *Home: Cook, P. O. Box 14 55723 Office: Cook High School Session: 291 State Office Building	218-666-2209 218-666-2170	296-4234
67A	**KEMPE, Arnold E. (DFL)** Home: West St. Paul, 28 Amelia Ave. 55118 *Office: 1 Signal Hills 55118 Session: 355 State Office Building	612-224-1284 612-222-5585	296-3806
53A	**KEMPE, Ray (DFL)** Home: West St. Paul, 310 Christine Ln. 55118 *Office: 1 Signal Hills 55118 Session: 354 State Office Building	612-224-2785 612-222-5585	296-4220
14B	**KETOLA, Marvin E. (DFL)** *Home: Cloquet, 616 14th St. 55720 Office: 124 Ave. C. 55720 Session: 263 State Office Building	218-879-4872 218-879-3331	296-4235
40B	**KNICKERBOCKER, Gerald (GOP)** *Home: Hopkins, 10100 Minnetonka Blvd. 55343 Session: 379 State Office Building	612-938-8649	296-4315
61A	**KNOLL, Franklin J. (DFL)** *Home: Minneapolis, 5316 1st Ave. S. 55419 Office: 3rd Flr., Grain Exch. Bldg. 55415 Session: 289 State Office Building	612-827-4889 612-348-7578	296-4897
50B	**KOSTOHRYZ, Richard J. (DFL)** *Home: No. St. Paul, 2478 E. Indian Way 55109 Office: 3M Cntr. Bldg. 230-B-S 55101 Session: 345 State Office Building	612-777-6171 612-733-9060	296-4936
54A	**KROENING, Carl W. (DFL)** *Home: Minneapolis, 3539 Vincent Ave. N. 55412 Office: [illegible]	612-522-4914	

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22A	**KVAM, Adolph L. (GOP)** *Home: Litchfield, 25 West Lockerbie 55355 Session: 393 State Office Building	612-693-8275	296-4344
51A	**LAIDIG, Gary W. (GOP)** *Home: Bayport, 114 N. 4th St., 55003 Session: 325 State Office Building	612-439-2808	296-4351
9B	**LANGSETH, Keith L. (DFL)** *Home: Glyndon, RR 2, 56547 Session: 330 State Office Building	218-498-3951	296-4335
34A	**LEMKE, Richard R. (DFL)** *Home: Lake City, RR 1 55041 Session: 381 State Office Building	612-345-4152	296-4233
21A	**LINDSTROM, John C. (DFL)** Home: Willmar, 415 W. 7th St. 56201 *Office: P.O. Box 913 56201 Session: 283 State Office Building	612-235-5339 612-235-1980	296-4222
45B	**LUTHER, William (DFL)** *Home: Brooklyn Center, 6925 Dallas Rd. 55430 Office: 4510 IDS Cntr. 55402 Session: 290 State Office Building	612-560-7188 612-339-8373	296-4367
19B	**MANGAN, Thomas (DFL)** *Home: Anoka, 533 Bean St. 55303 Office: P.O. Box 191 55303 Session: 346 State Office Building	612-421-1768 612-427-1880	296-4356
27A	**MANN, George L. (DFL)** *Home: Windom, RR 1 56101 Session: 299B State Office Building	507-831-1730	296-4292
65B	**MOE, Donald M. (DFL)** Home: St. Paul, 11 Summit Court 55102 *Session: 232 State Office Building	612-226-4522	296-4264
7A	**MUNGER, Willard M. (DFL)** *Home: Duluth, 9121 S. 7th Ave., 55807 Office: 7408 Grand Ave., 55807 Session: 226 State Office Building	218-624-4050 218-624-4814	296-4282
49A	**NEISEN, Howard (DFL)** *Home: Mounds View, 5150 Irondale Rd. 55112 Office: St. Paul, 2276 Highcrest 55113 Session: 350 State Office Building	612-784-4821 612-633-6170	296-4322
12A	**NELSEN, Bruce (GOP)** *Home: Staples, Rt. 1, 56479 Office: Staples Voc. Tech. Inst. Session: 327 State Office Building	218-894-1373 218-894-2430	296-4352
59B	**NELSON, Ken (DFL)** Home: Minneapolis, 3816 Nicollet Ave. S. 55409 *Session: 339 State Office Building	612-825-6667	296-4244
16A	**NIEHAUS, Joseph T. (GOP)** *Home: Sauk Centre, RR 3 56378 Office: Same Session: 312 State Office Building	612-352-3241	296-4379
65A	**NORTON, Fred C. (DFL)** Home: St. Paul, 701 Fairmount Ave. 55105 *Office: 1230 Commerce Bldg. 55101 Session: 245 State Office Building	612-227-5031 612-224-1364	296-2080
41B	**PETRAFESO, Pete R. (DFL)** *Home: St. Louis Park, 3200 Virginia Ave. S. 55426 Office: St. Paul, 550 Cedar 55101 Session: 284 State Office Building	612-938-1829 612-296-5118	296-4863
48B	**PHILBROOK, B. J. "Bud" (DFL)** Home: Roseville, 2755 Rice 55113 *Session: 382 State Office Building	612-484-2328	296-4326
39B	**PLEASANT, Ray O. (GOP)** *Home: Bloomington, 9841 Xerxes Curve 55431 Office: Roseville, 2276 Highcrest Dr. 55113 Session: 313 State Office Building	612-888-1671 612-633-6170 Ext. 5425	296-4316
3B	**PRAHL, Norman R. (DFL)** *Home: Grand Rapids, Box 537 55744 Office: Same Session: 293 State Office Building		296-4225
31B	**REDING, Leo J. (DFL)** *Home: Austin, 709 12th Ave. N.W. 55912 Session: 351 State Office Building	507-437-3846	296-4324
54B	**RICE, James I. (DFL)** *Home: Minneapolis, 2220 Vincent Ave. N. 55411 Session: 383 State Office Building	612-529-1983	296-4262
57B	**SABO, Martin Olav (DFL)** Home: Minneapolis, 3129 E. 22nd St. 55406 *Session: 276 State Office Building	612-729-8573	296-6610
46A	**McCARRON, Paul (** *Home: Spring [redacted] Park, 732 82nd Ave. N.E. 55432 Office: 783 29th Ave. N.E. 55432 Session: 248 State Office Building	612-781-9773 612-331-4755	296-4242
34B	**McCAULEY, M. J. "Mac" (GOP)** *Home: Winona, 404 E. Howard 55987 Session: 398 State Office Building	507-452-2485	296-4341
49B	**McCOLLAR, Maurice D. (DFL)** Home: White Bear Lake, 3563 White Bear Ave. 55110 *Office: 3563 White Bear Ave. 55110 Session: 332 State Office Building	612-777-1873 612-777-8926	296-4319
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18A	**MEIER, Claudia (DFL)** *Home: Rice, R.R. 2 56364 Session: 331 State Office Building	612-393-2523	296-4400
26A	**MENNING, Marion O. "Mike" (DFL)** *Home: Edgerton, 100 E. Central 56128 Office: Same Session: 362 State Office Building	507-442-6191	296-4364
52A	**METZEN, James (DFL)** Home: So. St. Paul, 401 Orchard Ln. 55075 *Office: 408 Southview Blvd. Session: 219 State Office Building	612-451-1294 612-455-2215	296-4370
48A	**NOVAK, Steve (DFL)** *Home: New Brighton, 2110 14th St. N.W. 55112 Office: 1811 Univ. Ave. N.E. 55418 Session: 356 State Office Building	612-636-7564 612-781-1256	296-4334
64A	**OSTHOFF, Thomas C. (DFL)** *Home: St. Paul, 766 W. Maryland 55117 Office: Ramsey Cty. Ct. House 55102 Session: 267 State Office Building	612-489-9596 612-298-4520	296-4224
43B	**PARISH, Richard J. (DFL)** Home: Golden Valley, 2565 Vale Crest Rd. 55422 *Office: Robbinsdale, 3826 W. Broad 55422 Session: 368 State Office Building	612-545-2189 612-537-3629	296-4300
17A	**PATTON, Al (DFL)** *Home: Sartell, Box 163 56377 Office: St. Regis Paper Co. 56377 Session: 384 State Office Building	612-252-6271 612-251-6511	296-4216
17B	**PEHLER, James (DFL)** *Home: St. Cloud, 734 14th Ave. S. 56301 Office: St. Cloud State College Session: 261 State Office Building	612-251-0350 612-255-3026	296-4241
27B	**PETERSON, Darrell (GOP)** *Home: Fairmont, R.R. 3 56031 Office: Same Session: 311 State Office Building	507-238-1091	296-3729
4A	**ST. ONGE, Douglas J. (DFL)** *Home: Bemidji, P.O. Box 751 56601 Office: Same Session: 223 State Office Building	218-751-2229	296-4263
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24A VANASEK, Robert E. (DFL)
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47B VOSS, Gordon O. (DFL)
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39	BANG, Otto T., Jr. Office: 136 State Office Building Home: 5200 Duggan Plaza, Edina 55435	941-4754	296-4122
15	BERG, Charles Office: 132 State Office Building Home: Chokio 56221	324-2506	296-4102
22	BERNHAGEN, John Office: 145 State Office Building Home: Route 1, Hutchinson 55350	879-4002	296-4131
38	BLATZ, Jerome V. Office 121A State Office Building Home: 11044 Glen Wilding Lane, Bloomington 55431	881-4272	296-4108
13	BORDEN, Winston W.		

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5B SPANISH, John J. (DFL)
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12B WENZEL, Stephen G. (DFL)
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25A WHITE, Jim F. (DFL)
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35B WIESER, Al, Jr. (DFL)
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29B WIGLEY, Richard E. (GOP)
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38A WILLIAMSON, Bruce (DFL)
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33B ZUBAY, Ken (GOP)
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51	BROWN, Robert J. Office: 148B State Office Building Home: 106 W. Wilkin St., Stillwater 55082	439-1605	296-4133
66	CHENOWETH, John C. Office: 303 Capitol Building ..... Home: 1126 Ivy Ave. E., St. Paul 55106	771-0279	296-4172
14	CHMIELEWSKI, Florian Office: 329 Capitol Building..... Home: Sturgeon Lake 55783 218-372-3616		296-4182
65	COLEMAN, Nicholas D. Office: 208 Capitol Building ..... Home: 79 Western Avenue No., St. Paul 55102	226-6375	296-4196
25	CONZEMIUS, George R. Office: 205 Capitol Building ..... Home: 800 W. Hoffman St., Cannon Falls 55009 507-263-3127		296-4144
60	DAVIES, Jack Office: 27 Capitol Building ..... Home: 3424 Edmund Blvd., Mpls. 55406	721-2347	296-4841
8	DOTY, Ralph R. Office: 303 Capitol Building ..... Home: 4107 Dodge St., Duluth 55804 218-525-5076		296-4171
18	DUNN, Robert G. Office: 131 State Office Building		296-4117

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62 **NORTH, Robert D.**
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63 **O'NEILL, Joseph T.**
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55 **STOKOWSKI, Eugene E.**
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Ex. 7
RKH 7/16/75

STATE OF MINNESOTA

COUNTY OF RAMSEY

BEFORE JOHN R. LARSON
COMMISSIONER OF SECURITIES

In the matter of the Proposed Adoption of Rules and Forms of the State Securities Division of the Department of Commerce Governing Exemptions and other matters pursuant to Minnesota Statutes 1974, Chapter 80A.

STATEMENT OF NEED

The Securities Division of the Department of Commerce, State of Minnesota, proposes to adopt rules and forms pursuant to Minnesota Statutes 1974, Chapter 80A, as are reasonably necessary to carry out and make effective the provisions and purposes of Minnesota Statutes 1974, Chapter 80A.

The above captioned rules are in part amendments to existing rules, in part new rules, while the forms are being adopted, as rules, for the first time. With respect to those rules which are being amended, these rules amend rules which became effective on May 21, 1975.

The need to adopt these rules arises out of a number of facts. Some of these rules were originally purposed for adoption in May of 1975, but did not become effective because of various irregularities in the rule-making process. Other rules have never before been proposed, either through oversight in the early rule-making proceeding or because the Division believed that additional time was necessary to prepare evidence and draft the rules, which time was not available prior to the May adoption. Some of the amendatory rules are being proposed at this time to keep existing rules, which incorporate by reference Federal Statutes or rules, current with changes in those Federal Statutes or rules. Finally, forms are being proposed as rules in order to erase any question as to whether such forms may be validly used, to adopt forms which are needed to enable persons to comply with the rules which became effective on May 21, and finally, to adopt various uniform forms which only recently took their final form. The need for each rule or form will be discussed in detail below.

SDiv. 2077 is necessary to provide adequate disclosure to potential investors in oil and gas offerings of the sponsor's history of operation and income from other programs. At the present time, such disclosure is provided in some offerings, but not in others. In those cases where it is provided, there is a great deal of variation in the nature of the presentation. Such lack of disclosure and varying disclosure makes it extremely difficult for investors to compare one program with another. At the hearing, evidence will be presented to show the variety of methods of disclosure as well as some examples of programs which do meet the standards required by the proposed rule. It should be noted that only paragraph (c) of the existing SDiv. 2077 is being amended; the other paragraphs are not affected.

SDiv. 2079 also takes the form of an amendment to an existing rule. It is noted that paragraph (b)(3) permits a majority of outstanding limited partnership interests to remove and replace the sponsor. The amendment merely requires that the limited partnership agreement provide for a method of valuation of the sponsor's (general partner) interest upon his removal. This rule is needed because of objections raised by counsel for sponsors, who state that by providing the right of removal, programs are opening themselves to "raiding" by unscrupulous persons who might convince holders of a majority of the limited partnership interests that they would manage the program at a lesser price, or with better results, and cause their replacement as a general partner. It is alleged that the only purpose of such a "raid" would be to acquire, at no charge, the general partner's interest.

This Division, along with similar regulatory agencies in other states, recognizes that there must be some protection given to the existing general partner to prevent such a "raid". The effect of this proposed amendment is to require, in the limited partnership agreement, a method of valuation of the general partner's interest. It is anticipated that such a requirement would not only discourage raiders but also would serve to increase the certainty surrounding the right of the limited partners to remove the general partner. Limited partners will know, in advance, how the outgoing general partner will be compensated for his interest and what "incentives" will be available to attract a new general partner. In other words, this amendment merely serves to clarify a mechanical question which has arisen in connection with the imposition of paragraph (b)(3) of SDiv. 2079.

SDiv. 2089 is a completely new rule. It gives to limited partners in a cattle-feeding venture the same rights which are given to limited partners in real estate and oil and gas limited partnerships. The failure to include such a rule in the rules which became effective on May 21 was an oversight, and the promulgation of this rule will correct that oversight.

There has been some controversy since various regulatory associations (which this division is a member of first) proposed "democratic rights" for limited partnerships. Over the years, that controversy has subsided as the fear of counsel that the inclusion of such rights would adversely effect the tax status of limited partnerships has not come to pass. This rule, like its already existing counterparts in the field of real estate and oil and gas limited partnerships, is needed because of the development of huge, fully registered, publicly held limited partnerships. Unlike earlier limited partnerships, which were composed of a small group of persons known to each other and to the general partner, the rise of these larger limited partnerships has created a situation fraught with the potential of fraud on an investor. Even if there is no actual fraud, there is the potential of investors, scattered across the country, unknown to each other, having no ability to salvage their investments from an unscrupulous promoter. These "democratic rights" permit limited partners to call meetings, to obtain the names and addresses of their fellow investors, to amend their limited partnership agreement, dissolve the program, remove and replace the

sponsors and, finally, approve or disapprove the sale of all or substantially all of the assets of the program. It should be noted that, consistent with the dichotomy which exists between a limited partnership and a corporation, that these proposed "rights" are limited in nature; they do not give to the limited partners the same kind of rights that they would have if a venture were organized as a corporation. What it does do is give them an opportunity to act if they feel that a serious threat to their investment exists.

SDiv. 2099 is an amendment to an existing rule. It amends the rule by adding paragraph (b) to require that the declaration of trust, or some other instrument, shall provide for the inspection of the records of the trust by a shareholder or beneficiary of the trust to the same extent as is permitted by local law to corporate shareholders.

This rule is needed to assure that participants in real estate investment trusts have the necessary information available to them to determine whether they desire to exercise their right to call a meeting granted by SDiv. 2099(a).

This amendment, like the rule discussed previously, rectifies an oversight in the rules which became effective on May 21, 1975. Unlike the rule discussed previously, however, the standards are based on those applicable to a corporation, because a business trust is closer to a corporation than to a limited partnership.

SDiv. 2110 is a completely new rule. The rule is divided into two paragraphs, one of which is needed to cure a long-standing question which has resulted in numerous requests for clarification while the other is needed because of recent amendments to the Minnesota Tax Code. Paragraph (a) attempts to clarify the question of how employee stock options should be treated under Chapter 80A. Should both the option and the stock issuable upon exercise of the option be registered prior to the grant of the option? Should the grant of the option be exempted but the stock issuance be registered? Should both the option and the stock be exempted from registration? This proposed rule takes the middle course, exempting the offer or grant of an option, while another rule to be discussed below, requires registration (or the availability of some other exemption) for the common stock issuable upon exercise of the option.

The rules which became effective on May 21, 1975, did not deal with this problem. While there was some discussion between the division and a limited number of private practioners in early 1975, it was felt that the rule should be given full exposure in a separate proceeding prior to its being adopted. In summary, the rule is needed because the division has, from time to time, adopted varying positions as to how options ought to be handled. The division has never had a rule with respect to its position. This rule will clarify the division's position and make it available for all to know, before an option is granted or exercised.

Paragraph (b) of the rule is needed because of the adoption, in 1973, of amendments to the State Tax Code contained in Chapter 711 of the Laws of Minnesota, 1973 and further amendments contained in Chapter 157 of the Laws of Minnesota, 1974. These two acts created, among other things, the recognition in Minnesota law of the employee stock ownership trust. Since those amendments, and similar action on the Federal level, questions have been raised regarding the treatment of distributions of securities to participants in an employee stock

ownership trust. This rule is the response to those inquiries. It provides that the distribution of securities to employees in connection with a trust are not made "for value" provided the distributee has paid no monies to other tangible property in exchange for the securities. While it is uncertain at this time whether the rule will require modification in the future, as the division and members of the public gain greater experience with these trusts, at the present time the division believes that the adoption of this rule will remove any securities laws impediments to the operation of these trusts.

SDiv. 2113 is also a completely new rule. It is needed to set forth the parameters of the exemption contained in Section 80A.15, Subdivision 1(h) so that it will not be necessary for every person contemplating the use of that exemption to request an interpretive opinion from the division. Paragraph (a) defines the term "employee's stock purchase plan", while paragraph (b) defines the term "employee's pension or profit sharing plan". Both paragraphs refer to provisions of the Internal Revenue Code and indicate that if the plan is qualified, or could be qualified under those code provisions, the plan does qualify for the exemption. Paragraph (a) goes on to state that the exemption is not available for a "key employee's stock option plan" which is qualified, or could be qualified, under Section 422 of the Code, and refers to the rule just discussed to inform individuals of the status of those option plans. In summary, SDiv. 2113 is needed to inform people, in advance, of the availability of an exemption without having to write individual opinion letters for each inquiry.

SDiv. 2114 is also a new rule. It is needed to clarify ambiguity in the statute, in Section 80A.15, Subdivision 1(i). The ambiguity arises because that Section does exempt from registration:

> Any security issued or guaranteed by any railroad, other common carrier, or public utility which is subject to regulation in respect to the issuance of guarantee of its securities by governmental authority of the United States.

While most of the inquiries received regarding the operation of this exemption have dealt with "governmental authority of the United States" as exercised by the Federal Power Commission, or the Interstate Commerce Commission, inquiries have arisen as to whether regulation by the Securities and Exchange Commission would operate as an exemption from the Minnesota Securities Act. For example, if there were a railroad, common carrier or public utility which was not subject to regulation by some other Federal agency, would the registration with the Securities and Exchange Commission under the Securities Act of 1933, or the Securities Exchange Act of 1934, constitute sufficient regulation so as to invoke the authority of the above exemption? The purpose of the rule is to make clear that the division is cognizant of the specific language of the exemption which requires that the issuer be "subject to regulation in respect to the issuance or guarantee of its securities" by a Federal agency. The only situation in which the Securities and Exchange Commission regulates an issuer with respect to the issuance or guarantee of its securities is under the Public Utility Holding Company Act of 1935. For example, the operative provision of the 1933 Act, contained in Section 5 thereof, states that it is unlawful to sell a security by use of the jurisdictional means unless a registration statement is in effect as to that security. Compare that with the operative language of the Public Utility Holding

Company Act of 1935, which, in Section 6, states that it is unlawful for any registered holding company or subsidiary company to issue or sell any security by the use of jurisdictional means except in accordance with a declaration and order. In summary, what this rule is saying that except in the case of public utilities who are regulated with respect to the issuance or guarantee of their securities pursuant to the Public Utility Holding Company Act of 1935, regulations solely by the United States Securities and Exchange Commission is not adequate to invoke the operation of the exemption. This rule is needed to clarify that distinction, and eliminate a source of confusion and inquiries to the division.

SDiv. 2115 is a completely new rule, which is needed to clarify questions which have arisen surrounding one of the most frequently used exemptions in the act, the "isolated sales" exemption. Because of its use, frequently by persons unfamiliar with securities law, it is needed to answer some of the most common questions which those persons pose to the division.

Paragraph (a) is needed to clarify the relationship between two concepts in the statute. The first is that of "isolated" sales, while the second is "up to five sales" in any 12 consecutive months. How do those two concepts interrelate? Must each of the five sales be isolated? If so, isolated from what? The purpose of this rule would be to say that up to five sales of securities of an issuer in any 12 consecutive months may be made pursuant to the exemption. However, a question does arise as to whether the exemption may be claimed for sales made immediately prior to, and part of, a registered offering. Is it possible for an issuer to make five sales during the 10 day waiting period required to perfect an exemption pursuant to Section 80A.15, Subdivision 2(h) and then make 20 sales pursuant to that exemption? If so, must the Form 170 state that there will be 20 sales or 25? To the extent that it is possible to answer these questions without doing damage to the statute, there is a definite need to have the answers available for all to know.

Paragraph (b) is needed in order to enable people to accurately compute the number of sales which have been made so as to enable them to comply with the statute. For example, what of a sale made to husband and wife as joint tenants? Is that one sale or two sales? What of a sale to a partnership? Without such a rule, it would be impossible to know whether such a sale counts as one sale or as a number of sales equal to the number of partners in the partnership. Inquiries received by the division indicate that many persons, often persons unfamiliar with the securities laws, desire to comply with the statute, but do not have answers to those kinds of questions. This paragraph should answer those questions.

Paragraph (c) is needed to assist persons in knowing how to treat sales made in other states. For example, may a Wisconsin corporation make five sales to Wisconsin residents and five additional sales to Minnesota residents? Paragraph (c) states that they may. It makes reference to Section 80A.27, which sets forth detailed rules for determining whether a sale is made "in this state". Paragraph (d) is also an attempt to assist persons dealing with concepts with which they may not be too familiar. What is meant by the statutory language "in any period of 12 consecutive months"? Does it mean the 12 month period immediately preceding the proposed sale? Does it mean any 12 month period during which the proposed sale might be made? If it is possible to do so within the confines of the statutory language, individuals need to know, with some certainty, the meaning of that language. That is the purpose of paragraph (d).

SDiv. 2116 is needed to give some certainty to the phrase "recognized manuals approved by the Commissioner", which appears in Section 80A.15, Subdivision 2(b). Which manuals are "approved"? Persons who have commented on this proposed rule have indicated that there is a need for certainty and speed in determining whether transactions are, or are not, exempted from the act by virtue of this exemption. It is a great inconvenience for them to have to contact this division in order to determine which manuals are, or are not, approved. At the present time, the only method (aside from contacting the division) for determining which manuals are approved is to consult the finding list contained in CCH Blue Sky Law Reporter. The most recent notation however with respect to Minnesota, in that list, relates to a letter of March, 1971. If the division is to approve certain manuals, but not others, the rule is also needed because of the requirements of Chapter 15, particularly in light of the amendment to the definition of the word "rule" contained in Chapter 380 of the Laws of Minnesota, 1975.

SDiv. 2117 is a completely new rule which is needed in order to inform persons of the parameters of the exemption contained in Section 80A.15, Subdivision 2(g). The division has been asked questions as to what constitutes a "financial institution or institutional buyer", and particularly whether a small business investment company is, in all instances, an "institutional buyer". This rule sets forth a general position of the division, indicating that such questions must be answered on a case-by-case basis, and that it is improper to assume, in all instances, that a small business investment company is an "institutional buyer". Again, the purpose of the rule is to inform individuals of our position so that they may structure their transaction in compliance with the law.

SDiv. 2118 contains a number of amendments to the existing rule, which sets forth the Commissioner's position with regard to the availability of the "limited distribution" exemption contained in Section 80A.15, Subdivision 2(h). This exemption is second only to the "isolated sale" exemption in terms of its usage, and therefore the Commissioner has gone to some length to draw a rule which answers most of the questions which have been posed in connection with the use of the exemption.

The first amendment occurs in SDiv. 2118(a)(3). It deletes certain language from the existing rule in order to conform the rule to the statute. The amendment is needed because it appears that the rule, as originally adopted, goes beyond the statute.

The second area of change is in paragraphs (b), (c), (d), and (h). All of these amendments are similar, their purpose being to keep current the version of the rule or statute incorporated by reference into the existing rule. For example, the existing rule incorporates by reference the version of Rule 146 as of April 15, 1974. Since that time, there have been changes to Rule 146 which make it desirable that the most current version be incorporated by reference. By making these amendments, the version as of July 16, 1975, will be the version which is incorporated by reference.

An additional amendment is made in paragraph (f) to include "seminars" as a prohibited method of mass communication in connection with the limited distribution exemption, because such "seminars" have been abused.

The final amendment is the addition of a paragraph (i), which waives the investment intent requirement of the exemption in connection with offers to exchange securities of the issuer or another issuer made to existing security holders. This is needed because the Commissioner has been faced with situations where

issuers desire to make an exchange offer to their own shareholders, but there are fewer than 25 such shareholders in Minnesota. There is no reason not to allow them to use the limited distribution exemption except that the Commissioner, must on a case-by-case basis, waive the investment intent requirement of the exemption so that if persons are being asked to exchange freely tradable securities, they may receive freely tradable securities. There is no reason to require investment intent in this situation, and therefore the Commissioner desires to adopt this rule in order to avoid pro-forma individual waivers.

SDiv. 2119 is a new rule, which is needed in order to allow persons to offer (but not sell) industrial revenue bonds during the waiting period between the filing of an application for registration and the effective date of such registration. Generally, industrial revenue bonds are exempted from registration with the Securities and Exchange Commission, and therefore, absent this rule, it would be impossible to offer them legally prior to the effective date of their registration in this state pursuant to Section 80A.15, Subdivision 2(i). This inability to offer is unrealistic and unnecessary regulation and this rule will permit offers to be made during the period.

SDiv. 2121 is a completely new rule which should be read in conjunction with SDiv. 2110. The purpose of these two rules, as stated previously, is to clarify the division's position with respect to stock options. At one time, the division took the position that such options were a "outstanding convertible security" as that term is used in Section 80A.15, Subdivision 2(n). As was stated earlier, the division has now concluded that such a position is undesirable, and while that position was never set forth in a rule, it is now proper that a rule be adopted setting forth the division's position for all to know. The first part of the rule vacates that previous position, while the second part of the rule goes on to require that securities issued pursuant to the exercise of an option must, at the time of issuance, be either registered or exempted. If proposed rules 2110 and 2121 are adopted, the division will have published a clear and unambiguous guidelines which all can follow.

SDiv. 2122 is also a new rule, which is needed in order to permit affiliates to make sales without having to request an order from the division. Section 80A.15, Subdivision 2(o) specifically permits the Commissioner to adopt a rule exempting from registration offers or sales of securities by an affiliate of an issuer. At the present time, the only method for making such sales (except for sales which qualify as "isolated sales") is by obtaining an order from the Commissioner. It believes that the adoption of this rule will eliminate a great deal of paper work both for affiliates and the division.

SDiv. 2126 is a new rule, which is needed to fill a silent gap in the statute. The statute provides, in Section 80A.23, Subdivision 8 provides that a rescission offer shall be effective to prevent a civil suit only if a copy shall have been filed with the Commissioner at least 20 days prior to its delivery to the offeree and the Commissioner shall not have objected to the offer within that time. It further provides that the offer shall be in the form and contain the information the Commissioner by rule or order prescribes. The Commissioner has not previously had any rule relating to rescission offers, and, and evidence to be introduced

at the hearing will demonstrate, the quality and quantity of disclosure contained in such rescission offers has varied greatly. The Commissioner believes that the acceptance or rejection of a rescission offer constitutes a new investment decision, and believes that the offeree ought to have adequate disclosure prior to making that decision. Prior to this date, however, neither offerees nor the Commissioner has had a rule to look to for guidance as to the type of disclosure which ought to be made. This rule, if adopted, will fill that vacuum.

SDiv. 2135 is an amendment to an existing rule, which is needed to inform persons of the correct version of any rule, statute, or other item incorporated by reference into rules which may be adopted in this rule-making proceeding. While it is perhaps possible to avoid such a rule, it is felt that by adopting such a rule the Commissioner will give a greater degree of certainty to individuals who question which version is being incorporated by reference.

SDiv. 2137 is a new rule, which is needed to inform people that regulations adopted under the prior law (Chapter 80) are no longer in effect. Although Chapter 80A became effective in August of 1973, the Commissioner still receives inquiries from individuals based upon the rules adopted under that act, SDiv. 1 - 1102. Thus this rule is needed to inform individuals that those rules are repealed, and are no longer in effect.

The next item to be considered is a three page form entitled "Application to Register Security". While the division has never before adopted forms as rules, Chapter 380 of the Laws of Minnesota, 1975, leaves little room for question as to whether they ought to be adopted as rules. This form follows, almost exactly Form U-1 adopted by the North American Securities Administrators Association and in use in most of the states. It replaces previously existing Form 108 and Form 107, and will be the only form for registration of securities.

The second form is designated Form 137, "Blanket Bond for Agents Acting for Issuer or Broker/Dealer in Securities". It is needed to insure that blanket bonds achieve the protection for which they are designed.

Form 101, "Application for Investment Adviser's License" is needed to gather the information on which the Commissioner makes his decision as to whether or not an individual qualifies for an investment adviser's license. Form 172, "Bond for Investment Adviser" is needed to assure that the public is protected through the device of an investment adviser's bond.

Form 104 - 54, "Directors Resolution Authorizing Corporate Appointment of Attorney" and "Corporate Appointment of Attorney for Service of Process" is needed to assure the availability of an agent for service of process and to assure that he is properly appointed and has authority to act on behalf of the corporation.

Form 106, "Individual Appointment of Attorney for Service of Process" is also needed to assure that an agent is available for service of process and that that agent does have authority to accept such a process.

The next form is "Quarterly Report Pursuant to Section 80A.12, Subdivision 8, Minnesota Statutes", which is designed to assist issuers in filing the quarterly reports required by SDiv. 2024. It is needed to make uniform those reports.

Form 102A, "Annual Report Pursuant to Section 80A.12, Subdivision 10, Minnesota Statutes" is designed to assist issuers in complying with the Annual Report requirement of the cited statute. It also is needed to assure some uniformity so that the division, and members of the public, will have easy access to the information contained in the Annual Report.

Form 111, "Securities Agent Bond" is designed to assure that agents are properly bonded and that protection contemplated by the bonding requirement of the statute is available if needed.

The next form is entitled "Escrow Agreement" and is designed to be used in those cases where the Commissioner requires that securities be escrowed. The form is structured so as to achieve the protection contemplated by the escrow requirement of the statute.

The "Impoundment Agreement" form is designed for use in those situations where the Commissioner determines that an impoundment of proceeds is necessary or desirable in connection with an offering of securities.

The next form, designated Form U-2, "Uniform Consent to Service of Process" is the uniform form accepted by many states, for consent to service of process. It also is designed to assure that a registrant has properly consented to service of process in connection with a registration of its securities.

Form U-2A, "Uniform Form of Corporate Resolution" is another uniform form, accepted by many states, which is being adopted here in Minnesota in order to assure uniformity.

The next form is Form 170, "Statement of the Issuer" which has been in use for some time in connection with the limited distribution exemption contained in Section 80A.15, Subdivision 2(h). A statement of the issuer is required by the statute, and this form should alert individuals, particularly those who do not specialize in securities laws, of the various requirements imposed by the statute in connection with the use of that exemption.

The next form is a very lengthy one, being Form BD, "Uniform Application for Registration, License or Membership as a Broker-Dealer or to Amend Such Application Under the Securities Exchange Act of 1934, or Under the Laws of Certain Jurisdiction...". It is a uniform form, recently adopted by the SEC, and in the process of adoption in numerous states, which should simplify compliance with state licensing requirements for those broker-dealers who operate in more than one state.

Similar to Form BD is Form U-4, "Uniform Application for Securities and Commodities Industry Representative and/or Agent". It is supplemented by Addendum A and Addendum G-1. Taken together, Form U-4 should be a progressive step in simplifying licensing applications for agents while still meeting various state licensing requirements. It is needed because Minnesota has agreed, along with other states, to replace its existing agent licensing form with

Form U-4 and its addenda.

John R. Larson

JOHN R. LARSON
Commissioner of Securities

Dated this 16th day
of July, 1975.

STATE OF MINNESOTA

COUNTY OR RAMSEY

BEFORE JOHN R. LARSON

COMMISSIONER OF SECURITIES

IN THE MATTER OF THE PROPOSED ADOPTION OF RULES OR THE STATE SECURITIES DIVISION OF THE DEPARTMENT OF COMMERCE GOVERNING SECURITIES; UNDER MINNESOTA LAWS, 1973, CHAPTER 451.

The above-entitled matter came on for hearing before the Securities Commissioner of the State of Minnesota on the 16th day of July, 1975 at 9:00 a.m. in the Commerce Department Hearings Room, Fifth Floor, Metro Square Building, St. Paul, Minnesota, after proper notice required by Minnesota Statutes 1974, Section 15.0412 was served upon all persons, associations and other interested groups registered with the Secretary of State for that purpose.

After affording interested persons an opportunity to present written and oral data, statements and arguments, having heard all of the testimony having considered all of the evidence adduced and upon the records, files and proceedings herein, I find the following:

(1)

That the Minnesota Legislature contemplated the adoption of extensive rules pursuant to Chapter 451 of the Laws of Minnesota, 1973. That chapter (now codified in Minnesota Statutes 1974 as Chapter 80A) provides approximately forty (40) specific grants of rule-making authority, as well as two general grants contained in Section 80A.25.

Section 80A.25, entitled "Rules, Forms and Orders" states:

Subdivision 1. The commissioner may from time to time make, amend, and rescind such rules, forms, and orders as are necessary to carry out the provisions of sections 80A.01 to 80A.31, including but not limited to rules and forms governing the conduct of business by broker-dealers, agents and investment advisers, registration statements, applications, and reports, and defining any terms, whether or not used in sections 80A.01 to 80A.31, insofar as the definitions are not inconsistent with the provisions of sections 80A.01 to 80A.31. For the purpose of rules and forms, the commissioner may classify securities, persons, and matters within his jurisdiction, and prescribe different requirements for different classes.

Subd. 2. No rule, form or order may be made, amended or rescinded unless the commissioner finds that the action is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of sections 80A.01 to 80A.31. In prescribing rules and forms the commissioner may cooperate with securities administrators of the other states and the securities and exchange commission with a view to effectuating the policy of this statute to achieve maximum uniformity in the form and content of registration statements, application, and reports wherever practicable.

Subd. 3. The commissioner may by rule or order prescribe (a) the form and content of financial statements required under sections 80A.01 to 80A.31, (b) the circumstances under which consolidated financial statements shall be filed, and (c) whether any required financial statements shall be certified by independent or certified public accountants. All financial statements shall be prepared in accordance with

generally accepted accounting principles unless otherwise permitted by rule or order.

Subd. 4. All rules and forms of the commissioner shall be published.

Subd. 5. No provision of sections 80A.01 to 80A.31 imposing any liability applies to any act done or omitted in good faith in conformity with any rule, form, or order of the commissioner, notwithstanding that the rule, form, or order may later be amended or rescinded or be determined by judicial or other authority to be invalid for any reason.

Chapter 451 is based in part upon the Uniform Securities Act drafted by the National Conference of Commissioners on Uniform State Laws.

Section 80A.31, entitled "Statutory Policy" states:

Sections 80A.01 to 80A.31 shall be so construed as to effectuate its general purpose to make uniform the laws of those states which enact it and to coordinate the interpretation of sections 80A.01 to 80A.31 with the related federal regulation.

In light of Section 80A.31 and Section 80A.25, Subdivision 2, these rules in many cases are based upon Rules under the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940 and the Investment Advisers Act of 1940, as well as certain rules of the National Association of Securities Dealers. In addition, the Statements of Policy adopted by the National Association of Securities Administrators, the Midwest Securities Commissioners Association and the Central Securities Administrators Council (organizations which Minnesota is affiliated with) have been given great weight in these rules, as they represent practices and policies in force in other states.

(2)

That SDiv. 2077(c) is adopted, without change, from proposed SDiv. 2077(c); that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it received no criticism at the hearing or in writing.

The amendment to SDiv. 2077(c) is designed to require disclosure by the sponsor of an oil and gas program of its history of operations and compensation from past programs received by the sponsor or its affiliates.

The Commissioner finds that such disclosure is essential in order to provide a potential investor with adequate information upon which to base his investment decision. The Commissioner also finds that some sponsors already provide disclosure of the type to be required pursuant to this amendment (as evidenced by Exhibit 24) and that such disclosure is feasible and not unduly burdensome.

The Commissioner has taken administrative notice of the fact that California recently has adopted a rule imposing similar requirements[1].

(3)

That the amendment to SDiv. 2079(b) is adopted, without change, from the proposed amendment to SDiv. 2079(b); that it is adopted pursuant to Section 80A.25, Subdivision 1; and that no adverse comments were received at the hearing or in writing.

The purpose of the amendment is to require an oil and gas program limited partnership agreement to specify a method of evaluating the general partners interest in the partnership in the event of his removal.

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[1] CCH Blue Sky Law Reporter, Paragraph 8627, California Regulations, Subarticle 11, Section 260.140.130.2(a)(10)(B)(vii).

The Commissioner finds that such a provision is an essential part of a limited partnership agreement in order to clarify the relative rights of the parties to the agreement, to simplify the removal procedure when it does occur, to avoid "raids" on partnerships by the unscrupulous and also to disclose to potential investors the consequences of a removal of a general partner.

The Commissioner also finds that many issuers already specify a method of valuation as would be required pursuant to this amendment, that several states, including Wisconsin, Iowa and California, currently enforce similar requirements either by rule[2] or as a matter of policy, and that the provision required to be made a part of the limited partnership agreement by this amendment to SDiv. 2079(b) will be feasible and will not unduly burden issuers.

(4)

That SDiv. 2089 is adopted, with minor modification from proposed SDiv. 2089; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it did receive one comment at the hearing and one criticism in writing.

The purpose of the rule is to require that certain "democracy rights" be provided to limited partners in a cattle feeding venture structured as a limited partnership.

This rule requires essentially that the same rights be provided to cattle feeding limited partners as are currently mandated under existing rules applicable to real estate and oil ventures structured as limited partnerships.[3] These "democracy rights" were adopted in a Statement of Policy issued by the Midwest Securities Commissioners Association on February 28, 1973 for real estate programs,[4] and

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[2] 1 CCH Blue Sky Law Reporter, paragraph 8627, California Regulations, Subarticle 11, Section 260.140.128.2.

[3] CCH Blue Sky Law Reporter, Vol. 1A, Minnesota Securities Regulations, Paragraph 26,609, SDiv. 2064 and SDiv. 2079.

[4] CCH Blue Sky Law Reporter, Vol. 1, Paragraph 4821.

adopted in a Statement of Policy issued by the Central Securities Administrators Council on November 23, 1971[5] for oil and gas programs.

The written criticism received was two-fold. Robert Whitlock (letter of July 23, 1975) felt that due to the existence of the right of a majority vote of outstanding limited partnership interests to replace the managing general partners: 1) limited partners may be subject to general liability, or 2) the tax status of the partnership may be in jeopardy.

In examining the first part of the criticism, Minn. Stat. Section 322.07 (1974) of the Minnesota Uniform Limited Partnership Act (the "Act") provides that:

> A limited partner shall not become liable as a general partner unless, in addition to the exercise of his rights and powers as a limited partner, he takes part in the control of the business.

There is no express provision in the Minnesota Uniform Limited Partnership Act that gives limited partners the right to remove and replace a general partner. Additionally, the Act does not define the term "control". There is little judicial interpretation of the Uniform Limited Partnership Act and the courts appear to judge each case on its own merits, determining whether or not control exists. Section 7 of the Act clearly prohibits limited partners from dominating the day-to-day operations and functions of the limited partnership. In recent years the courts have allowed limited partners a greater interest in the affairs of the partnership business so long as there is no managing or control over daily partnership affairs. See, Weil v. Diversified Properties, 319 F. Supp. 778 (D.D.C. 1970) and Plasteel Products Corporation v. Helman, 271 F. 2d, 354 (1st Circ. 1959).

In the Commissioner's opinion the mere existence of the right to remove and replace a general partner does not constitute "control of the business" sufficient to impose general liability on the limited partners, but only where such right is exercised and control

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[5] IBID, paragraph 4583.

in fact occurs does section 7 of the Act apply. See Rathke v. Griffith, 36 Wash. 2d 394, 218 P 2d 757 (1950).

The Commissioner is of the opinion that so long as limited partners do not use this voting right to dominate the general partner or dictate how the business of the partnership will operate, the courts will recognize that investors have the right to protect their investment and to hold a general partner accountable to investors for its management of the business of the partnership while still retaining their limited liability.

While the Commissioner is grateful for any comments received, he does feel that ample precedent has been established in the area and that the criticism to include this rule is far outweighed by the protection of the investors resulting from its inclusion.

Moving to the second aspect of the criticism, that being the tax status of a limited partnership that contains this right, the questions and resolutions are somewhat more definable.

It is the Internal Revenue Service that determines the tax status of a limited partnership as a limited partnership and not as an "association" taxable as a corporation.

The Internal Revenue Code of 1954, as amended, defines a "partnership" to include:

> A joint venture, or other unincorporated organization, through or by means of which any business, financial operation or venture is carried on, and which is not within the meaning of this title, a trust or estate or a corporation.[6]

Section 301.7701-2 of the Income Tax Regulations (the "Regs") promulgated by the U.S. Treasury Department have established guidelines for characterization of entities as "partnerships" or as "associations" taxable as corporations.

Section 301.7701-2(a) of the Regs itemizes the major characteristics which distinguish corporations from non-corporate entities.

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[6]Internal Revenue Code of 1954, Section 7701(a)(2).

These include:

i) associates
ii) an objective to carry on the business and divide the gains therefrom
iii) continuity of life
iv) centralization of management
v) liability of corporate debt limited to corporate property
vi) free transferability of interests

Since every association and partnership has both i) associates and ii) an objective to carry on business, these characteristics are not weighed in the Regs and are considered irrelevant to the distinguishing process because they are common to both associations and partnerships. Instead the Regs provide that if two or more of the remaining characteristics listed above are lacking, the organization will be characterized as a "partnership" rather than as an "association" taxable as a corporation. See also Rev. Proc. 74-17 promulgated by the IRS announcing conditions under which it will issue advance rulings as to the tax status of the partnership.

Since the criticism relates only to centralization of management, it is the Commissioner's opinion that the existence or exercise of that particular right alone will not jeopardize the tax status of the partnership. The right must be viewed within the context of the entire limited partnership agreement.

The Commissioner further notes that numerous limited partnerships, including real estate and oil and gas ventures, which possess these identical "democracy rights" and are formed in states that follow the Uniform Limited Partnership Act, have received rulings from the IRS concluding that they are taxable as partnerships. One such ruling was issued as recently as October of 1975.[7]

Additionally, many other state administrators, including Michigan, Wisconsin, Texas, and Missouri, require these rights as a condition of registration.

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[7] Zuckman v. U.S., U.S. Court of Claims, #798-71, Oct. 22, 1975.

The Commissioner finds that the rights required by SDiv. 2089 are necessary in order to prevent overreaching on the part of sponsors of cattle feeding programs and to provide protection to the investor in the event of conflicts with the sponsor. In addition, there is nothing unique about a cattle feeding limited partnership which would serve to distinquish it from a real estate or oil or gas limited partnership insofar as these rights are concerned. Therefore, there is no reason to require these rights in the case of the first two, but not in the case of the third.

The Commissioner also finds that the requirements imposed by SDiv. 2089 do not jeopardize the limited liability of limited partners or the tax status of the limited partnership. It is the Commissioner's position that if, at any time, the IRS notifies him of a proposed change in their attitude that would cause a partnership meeting this rule to lose its taxable status as a partnership, he would immediately rescind the rule.

The only other comment (transcript at page 103) was that line 12 of SDiv. 2089(a) should be changed by the insertion of the words "or certified" after the word registered. The Commissioner finds that the use of certified mail provides a suitable alternative to the use of registered mail as a means of providing notice of a meeting of a limited partnership and that the use of certified mail would provide a substantial cost saving. Therefore, the aforesaid minor modification to the proposed SDiv. 2089 is adopted.

(5)

That the amendment to SDiv. 2099 is adopted, with minor modification, from proposed SDiv. 2099; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that the only adverse comment received was a suggestion to clarify the language of the rule.

The amendment to SDiv. 2099 is designed to permit the holder of a beneficial interest or the beneficiary of a REIT

to inspect the trust records to the same degree as corporate shareholders are permitted to inspect corporate records.

The Commissioner finds that the proposed rule is necessary in order to provide a means for investors to evaluate the performance of trustees, to intelligently exercise their rights, to determine if there is any abuse of trust funds and to better inform investors of underlying facts that may or may not necessitate the calling of a special meeting of the trust. The Commissioner also finds that the limitations imposed by state corporate law provide adequate protection for trustees from unwarranted intrusion into records. The provision required by SDiv. 2099 has been included in all real estate investment trusts since 1968 since it is a part of the Statement of Policy on Real Estate Investment Trusts adopted by the North American Securities Administrators Association which is currently followed by a majority of states.[8]

It was suggested that the word "shareholders" on line 4 of SDiv. 2099(a) be replaced with the words "holders of beneficial interests". In addition, it was suggested that the words "shareholder" be replaced with the words "holder of beneficial interest" at the second and third lines of the proposed SDiv. 2099(b) (transcript at page 106). The Commissioner finds that this minor change is useful and necessary in order to clarify the intended scope of the provisions of SDiv. 2099(a) and (b), and it is therefore adopted.

(6)

That SDiv. 2110 is adopted, with modification, from proposed SDiv. 2110; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it received several comments at the hearing.

The purpose of this rule is to clarify the division's position concerning the interpretation of the term "for value" as used in Section 80A.14(p)(1), (2) and (3). The Commissioner finds that the Securities Division has from time to time adopted varying positions as to how options ought to be handled. This rule is necessary in order

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[8] 1 CCH Blue Sky Law Reporter, paragraph 4754, Section B.7.

to provide certainty to the public and practicing attorneys regarding the position taken by the Securities Division. In the absence of a specific rule, the public may continue to rely on outdated positions of the Securities Division voiced in letters and in response to telephone requests.

The Commissioner also finds that the position taken by Rule SDiv. 2110, which has the effect of excluding the offer or grant of options covered by the rule from the applicability of the Minnesota Securities Act, is consistent with the intent of the Minnesota Securities Act in light of the fact that no investment decision is made until an option is exercised where no money or other tangible property is given for the option at the time of its offer or grant.

As proposed, SDiv. 2110(a) would have excluded only offers or grants to officers, directors or employees of the issuer or its parent or subsidiary. Robert Abdo (transcript at pages 11 - 13) strongly criticized this approach. Abdo suggested that the rationale for excluding offers of grants of options to officers, directors or employees was equally applicable to other persons. Where no money or other tangible property is given for the option no investment decision is made, and therefore there is no need for the protections provided by the Minnesota Securities Act.

The Commissioner agrees with Mr. Abdo and therefore the words "an officer, director or employee of" in SDiv. 2110(a)(1) are removed and replaced by the words "any person by".

The language in SDiv. 2110(b) was not contained in the original proposed rule SDiv. 2110. However, that language was contained in the original proposed SDiv. 2121. Therefore, the revised proposed SDiv. 2110(b) does not constitute any substantive change from the original proposed rules; it is merely a reordering.

The Commissioner finds that the provisions of proposed SDiv. 2110(b) are a corollary of SDiv. 2110(a). While the offer or grant of an option pursuant to the provisions of 2110(a) does not require the protections of the Minnesota Securities Act, the exercise of such an option does, and must therefore either be registered or exempt from registration pursuant to Minn. Stat. Section 80A.15, Subd. 1 or Subd. 2(a), 2(g) or 2(h).

Paragraph (c) of SDiv. 2110 is adopted in response to Laws of Minnesota, 1974, Chapter 157 which created certain tax benefits for a new class of employee plans: the employee stock ownership trust (hereinafter "ESOT"). Based upon an examination of the requirements contained in Section 290.01, Subdivision 25 and Section 401 of the Internal Revenue Code, the Commissioner finds that no public interest will be served by requiring the securities to be registered at the time of distribution since there is no tangible consideration paid by the employee and since the employee has no "investment decision" to make because the IRS will not permit the employee beneficiary to have an option (or choice) to elect either cash or securities. The employee must take the securities or nothing at all. The Commissioner also finds that this rule is ncessary in order to remove any securities law impediments to the operation of these trusts.

(7)

That SDiv. 2113 is adopted, with modification, from proposed SDiv. 2113; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it did receive comments at the hearing.

This rule is necessary in order to set forth the position of the Commissioner with respect to the most common problems raised by practitioners regarding employee benefit plans (using those words in the broadest context). The definition of the exemption provided by Minn. Stat. Section 80A.15, Subdivision 1(h) has raised numerous questions with legal practitioners and produced numerous unnecessary

inquiries as to the status of various plans. Many persons have felt it necessary to request interpretive opinions (pursuant to Section 80A.26, Subdivision 5) in order to insure that their clients were not violating the law. Such inquiries constitute a drain upon the Commissioner's staff, and these rules are adopted to present the Commissioner's position in published form in order to eliminate these routine inquiries.

The Commissioner finds that employees stock purchase plans and pension or profit sharing plans which meet the requirements of Section 423 and Section 401, respectively, of the Internal Revenue Code of 1954, as amended, provide adequate protections to prospective employee participants and are therefore intended to be exempt from registration pursuant to Section 80A.15, Subdivision 1(h). The Commissioner also finds the plans which do not meet these requirements ordinarily do not provide sufficient protections for investors, and may qualify for the exemption provided by Section 80A.15, Subdivision 1(h) only upon a showing of good cause.

Timothy M. Heaney suggested at the hearing (transcript at page 17) that reference should be made to Section 80A.15, Subdivision 1(h) in SDiv. 2113(a) and that the cross-reference to SDiv. 2110(a) should be reworded for purposes of clarity. The Commissioner agrees and has modified paragraph (a) by inserting the parenthetical clause (as those words are used in Section 80A.15, Subdivision 1(h)) after "stock purchase plan" at line 1 of SDiv. 2113(a) and by inserting the words "for such plans" in the parenthetical clause at the end of SDiv. 2113(a). The Commissioner finds that these changes clarify the relationship of SDiv. 2113(a) and (b) to Section 80A.15, Subdivision 1(h) and underscore the fact that key employee stock option plans qualified under Section 422 of the Internal Revenue Code of 1954 may not be subject to registration if they qualify pursuant to SDiv. 2110(a).

The Commissioner finds that SDiv. 2113, as originally proposed,

did not sufficiently clarify the applicability of Section 80A.15, Subdivision 1(h) to securities other than the actual interests in various employees plans. Mr. Archibald Spencer (transcript at pages 18 and 19) indicated some confusion on his part in regard to this issue. The Commissioner finds that SDiv. 2113(c) as now proposed, provides an essential clarification in regard to this problem and complies with the legislative intent of the drafters of the Minnesota Securities Act. The Commissioner also finds that SDiv. 2113(c) provides no substantive change in the rules.

It is noted that the second sentence of SDiv. 2113(c) is taken virtually verbatim from the second sentence of the originally proposed SDiv. 2121. This sentence is inserted in SDiv. 2113(c) is a corollary of the provisions of SDiv. 2121 and provides no substantive change.

(8)

That SDiv. 2114 is adopted, without change, from proposed SDiv. 2114; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it received one comment by the public in writing.

The rule is designed to clarify the exemption provided by Minn. Stat. Section 80A.15, Subdivision 1(i) which exempts:

> Any security issued or guaranteed by any railroad, other common carrier or public utility which is subject to regulation in respect to the issuance or guarantee of its securities by a governmental authority of the United States.

Questions have arisen stemming from the fact that the Securities and Exchange Commission administers a number of laws. While primarily known for their supervision of the Securities Act of 1933 and the Securities Act of 1934, the Commission also enforces the Public Utilities Holding Company Act of 1935.

The Commissioner finds that the 1933 Act does not regulate the issuance of securities, but merely the offer and sale of securities. In contrast, the Public Utility Holding Company Act

of 1935 regulates not only offer and sale of securities of public utility holding companies and their subsidiaries, but also the issuance of their securities.

The Commissioner finds that regulation by the SEC under the 1933 or 1934 Acts is not adequate regulation to meet the tests of the exemption, since those Acts do not regulate the issuance of securities. However, the SEC's jurisdiction pursuant to the 1935 Act does reach to issuance, and therefore the rule does draw distinction for issuers subject to SEC regulation under the 1935 Act.

This rule is necessary in order to put an end to confusion which has arisen over the scope of this exemption and to formally adopt the position which the Commissioner has adopted in numerous interpretive opinions.

(9)

That SDiv. 2115 is adopted, with modification, from proposed SDiv. 2115; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that several adverse comments were received at the hearing.

This rule is designed to clarify several issues that consistently arise in connection with the offer and sale of securities under the exemption provided by Minn. Stat. Section 80A.15, Subdivision 2(a), the most frequently used exemption provided by law. The Commissioner finds that resolution of these ambiguities is essential in light of the fact that it is one of the most frequently used exemptions and is often relied upon by attorneys and other individuals who are not familiar with securities laws.

Paragraph (a) is necessary in order to clarify the relationship between the concept of "isolated sales" and that of not "more than five sales of securities...during any period of 12 consecutive months". Questions have arisen as to whether each of the five sales which may be made pursuant to this exemption must be "isolated". This rule is necessary in order to clarify that if not more than five sales of

securities of an issuer are made in any 12 consecutive months they are exempt pursuant to Section 80A.15, Subdivision 2(a) and are deemed to be "isolated" and to meet the requirements of the aforesaid exemption.

The Commissioner finds that the language of proposed SDiv. 2115(a) needed clarification and therefore has replaced the words "as 'isolated sales'" in line 3 of SDiv. 2115(a) with "by Section 80A.15, Subdivision 2(a)". The Commissioner finds that this change is not substantive but merely for purposes of clarification.

Paragraph (b) is adopted in response to numerous questions which have arisen with respect to the proper manner of "counting" a husband and wife purchasing individually, a husband and wife purchasing as joint tenants, an individual and his wholly owned corporation both purchasing individually, etc. The Commissioner finds that, in the absence of such a rule, private practitioners and the public find it difficult if not impossible to know whether sales in such situations constitute one sale or a number of sales. The Commissioner finds that this portion of the rule is necessary in order to clarify the rights and responsibilities of such persons. The Commissioner also finds that the relationships between the persons specified in SDiv. 2115(b) are such that sales to those persons should not be counted as being separate from sales to the related entity.

However, the Commissioner finds that the rule, as proposed, could conceivably mislead the public by creating an impression that sales to the persons listed in SDiv. 2115(b) are excluded in calculating the availability of Section 80A.15, Subdivision 2(a) no matter when they were made. Such an interpretation would be clearly in conflict with Minn. Stat. Section 80A.15, Subdivision 2(a). The Commissioner finds that the addition of the words "if made within 48 hours of a sale to another purchaser, which other sale is included

in such computation" after the word excluded at SDiv. 2115(b)(1) is necessary to clarify the fact that SDiv. 2115(b) is to exclude only contemporaneous sales to individuals listed in that paragraph.

The Commissioner also finds that Section 80A.15, Subdivision 2(a) creates ambiguities insofar as sales made in other states are concerned. The Commissioner finds that sales which are not made in the State of Minnesota are not intended to be subject to the registration requirements of Section 80A.08 and are therefore not intended to be counted for purposes of determining the availability of the exemption contained in Section 80A.15, Subdivision 2(a). The Commissioner finds that there is ambiguity in Section 80A.15, Subdivision 2(a) in regard to this issue and that this rule is essential in order to clarify this ambiguity so that the public can determine the availability of the exemption.

Finally, the Commissioner finds that the text of proposed SDiv. 2115(d), which was intended to clarify the words "period of 12 consecutive months", created more confusion than clarity. The Commissioner finds that the statutory language is adequate in its present form and therefore has deleted paragraph (d) from the rule all together and has also deleted reference to SDiv. 2115(d) from the proposed SDiv. 2115(a).

Mr. Davis raised another related problem at the hearing (transcript pages 30-33) and submitted Exhibit 8 to be added to paragraph (d) of the rule. Exhibit 8 suggests that the first five sales made under the exemption remain valid if subsequent sales are made. The Commissioner is of the opinion that this problem is far more complex than appears on the surface and would require the Division the take a position, propose a rule, receive comments and hold a hearing on the matter. For this reason, the Commissioner is not incorporating the language of Exhibit 8.

The Commissioner also notes that SDiv. 2115(b)(1) makes reference to "the following sales" which are to be excluded in calculating the number of sales that have occurred.

However, while paragraph (aa) specifically mentions "sales to" relatives, etc., neither paragraph (bb) or (cc) contains any comparable referent. The Commissioner finds that the insertion of the words "the sale to" immediately after "(bb)" and "(cc)" is necessary in order to be responsive to the introductory clause of paragraph (b)(1) and to clarify that it is sales to entities that are intended to be excluded, not the entities themselves.

That SDiv. 2116 is adopted, with modification, from proposed SDiv. 2116; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it did receive considerable objection both at the hearing and in writing.

The purpose of the rule is to specify which manuals qualify for the exemption provided by Section 80A.15, Subdivision 2(b). Many questions have arisen within the securities industry and the brokerage community concerning whether all manuals issued by Moody's, Fitch's and Standard and Poors qualify for this exemption.

The Commissioner finds that the legislative history of the Governor's Commission which drafted the Minnesota Securities Act evidences an underlying reliance on standards of quality in creating the manual exemption provided by Subdivision 2(b). The Commissioner finds that he has a continuing obligation to determine whether manuals mentioned in the statute meet the necessary quality standards and that the intent of the legislature is that he is authorized by rule to determine the qualification of any particular manual.

In addition, the Commissioner finds that the manuals listed in proposed rule SDiv. 2116, as amended, provide adequate standards of quality in order to protect the public investor.

The objections raised at the hearing (transcript pages 33-62), and in letters (Mr. Heaney dated July 28, 1975 and April 12, 1975 Mr. Porreca dated August 5, 1975) centered around the exclusion of Moody's OTC Industrial Manual and OTC Industrial News Reports which SDiv. 2116, as originally proposed, did not recognize.

The concern of the division was that the standards of quality to be listed in those manuals were not sufficient to warrant an exemption provided by Section 80A.15, Subdivision 2(b). Several interested persons felt that the standards required by the aforesaid manuals were adequate and that they should be included.

Mr. Heaney's letter of July 28, 1975, proposes the inclusion of both Moody's OTC Industrial Manual and OTC Industrial News Reports as recognized by the Commissioner but with specific net worth and shareholder minimums. The Commissioner finds that this proposal does provide adequate quality standards to protect the public while at the same time eliminating confusion as to the status of these particular manuals.

(11)

That SDiv. 2117 is adopted, without change, from proposed SDiv. 2117; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it did receive adverse comments at the hearing.

The purpose of the rule is to give "fair warning" to those who might be misled by the words "institutional buyer" as used in Minn. Stat. Section 80A.15, Subdivision 2(g), which exempts from registration offers or sales to a "bank, savings institution, trust company, insurance company...or other financial institution or institutional buyer." It is modeled after Section 402(b)(8) of the Uniform Act.

The official comment to that section[8] states:

> The term "institutional buyer" is broad enough to cover, for example, a college purchasing for its endowment fund or perhaps a labor union investing its surplus funds on a substantial scale. The term may be either left to ad hoc interpretation or defined by an interpretive rule under Section 412(a) [Section 80A.25, Subdivision 1].

In the minutes of the meeting the Governor's Advisory Commission which adopted this Section (July 26, 1972) it is stated:

> A question was raised as to the definition of an "institutional buyer"...Mr. Lynch [a member of the Commissioner's staff] noted that the matter was sometimes a source of difficulty for the Commission. Mr. Lewis suggested that the Commissioner, under Section 412, define the term "institutional buyer" in accordance with the general rule-making power. It was agreed that this should be done.

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[8] 1 CCH Blue Sky Law Reporter at paragraph 4932.01.

The Commissioner has attempted to fashion a rule to define this term but finds it very difficult to do so with the degree of specificity which would make the rule meaningful. He has determined that the decision must be based on a case-by-case examination of the alleged institution and its "sophistication" with respect to any particular offer or sale.

However, the Commissioner finds that the most common misreliance on the exemption can be expected to occur in the case of small business investment companies, which may in some instances have a requisite sophistication, but in others, such as oil and gas limited partnerships, be no better off than the average investor. The Commissioner finds that this rule is essential in order to provide fair warning to those who might be misled into believing that offers or sales to small business investment companies are necessarily exempt pursuant to Section 80A.15, Subdivision 2(g).

(12)

That SDiv. 2118 is adopted, without change, from proposed SDiv. 2118; that it is adopted under Sec. 80A.25, Sub. 1 & 80A.15, Sub. 2(h); and that the proposed amendments to the rule received no adverse comments either at the hearing or in writing.

The changes in this rule meet several specific needs. First, paragraph (a)(3) must be amended in order to remove a clause which is in conflict with the provisions of Section 80A.15, Subdivision 2(h). The statute excludes persons designated in clause (g) from the computation of the number of persons to whom sales can be made pursuant to Section 2(h). Offers or sales to banks, whether acting for themselves or in some fiduciary capacity, are included under Section 80A.15, Subdivision 2(g) and should therefore not be considered in computing the availability of the exemption contained in Section 2(h). As a result, the proposed amendment to paragraph (a)(3) is adopted.

The Commissioner also finds that it is essential to keep

Minnesota Securities Rules current insofar as they make reference to Federal Rules. Therefore, paragraphs (b), (c), (d), and (h) of SDiv. 2113 are amended so as to incorporate by reference all changes to Rule 146 made up to July 16, 1975.

The Commissioner finds that "seminars" provide a means of advertising of securities to the general public which has been abused. Therefore, it is necessary to remove the availability of the exemption contained in Section 80A.15, Subdivision 2(h) where such means are used unless the requirements of the second sentence of paragraph (f) are met.

Finally, the Commissioner finds that the proposed change in SDiv. 2113(i) is essential in order to simplify the procedure by which issuers may accomplish exchange offers with their own shareholders pursuant to Subdivision 2(h). The Commissioner has found in the past, and now finds, that there is no need to require investment intent in such a situation. The Commissioner finds that this rule is necessary in order to obviate the necessity of waiving the investment intent requirement of the exemption on a case-by-case basis, as well as notifying the public that the exemption is available in the case of exchange offers.

(13)

That SDiv. 2119 is adopted, without change, from proposed SDiv. 2119; that it is adopted pursuant to Sec. 80A.25, Sub. 1 & 80A.15, Subdivision 2(i); and that it did receive several favorable comments in writing and at the hearing.

The purpose of the rule is to broaden the scope of Section 80A.15, Subdivision 2(i) to specifically include "industrial revenue bonds" within the meaning of the exemption. The Commissioner finds that industrial revenue bonds are generally exempted from registration with the Securities and Exchange Commission and therefore cannot ordinarily meet the requirements

of 80A.15, Subdivision 2(i). However, the mere fact of their exemption from the registration requirements of the Federal Securities Act should not exclude such bonds from the availability of the exemption provided by Subdivision 2(i).

The Commissioner finds that to permit offers pursuant to the provision of SDiv. 2119 could not harm the public since only offers and not sales are permitted. The Commissioner further finds that this rule would facilitate the determination of final pricing and market acceptance of securities by issuers and underwriters.

(14)

That SDiv. 2121 is adopted, with modification, from proposed SDiv. 2121; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it did receive comments at the hearing.

The purpose of the rule is to clarify the exemption provided in Section 80A.15, Subdivision 2(n) to clarify that certain options do not constitute "outstanding convertible securities" within the meaning of that section.

The Commissioner finds that this rule is an essential complement to SDiv. 2110 in order that registration, which is essential to the public, occur at the point where an investment decision is made. The Commissioner finds that this point occurs at the point that an option is exercised, and that it is essential that securities issued pursuant to the exercise of such an option be either registered at that time or else exempt securities pursuant to Section 80A.15, Subdivision 1 or exempt transactions pursuant to Section 80A.15, Subdivisions 2(a), 2(g) or 2(h).

Mr. Abdo and Mr. Heaney suggested at the hearing (transcript pages 74-77) that the Division attempt to define what constitutes an "outstanding convertible security". However, the Commissioner finds that an attempt to define "outstanding convertible security"

as used in Section 80A.15, Subdivision 2(a) would involve a material change and require a rehearing.

Proposed SDiv. 2121 was amended by inserting the words "pursuant to an applicable" after the word "or" in the second line of SDiv. 2121. The Commissioner finds that this change is necessary in order to clarify the meaning of the rule. In addition, the reference to SDiv. 2115 is amended to refer to SDiv. 2110 in order to correct an improper reference. The Commissioner believes that this is only a minor difference from the rule as proposed, since the proposed rule made broad reference to options granted without registration.

(15)

That SDiv. 2122 is adopted, without change, from proposed SDiv. 2122; that it is adopted pursuant to Sec. 80A.25, Sub. 1 & 80A.15, Subdivision 2(o); and that no adverse comments were received at the hearing or in writing.

The Commissioner finds that the public is adequately protected, and registration is therefore unnecessary, in transactions where registration statements are in effect in respect to securities of the same class of an issuer, information called for by Rule 144 of the Securities and Exchange Commission is furnished to the Commissioner concurrent with the transaction, and all reports required by Section 80A.12 and rules adopted thereunder have been filed as required.

The Commissioner further finds that the adoption of this rule will eliminate a great deal of unnecessary paper work for both affiliates and the Securities Division in that the need for orders in regard to specific transactions will be obviated.

(16)

That SDiv. 2126 is adopted, with modification, from proposed SDiv. 2126; that it is adopted pursuant to Sec. 80A.25, Sub. 1 & 80A.23, Sub 8; and that it did receive considerable comments both at the hearing and in writing.

The purpose of the rule is to clarify the provisions of Section 80A.23, Subdivision 8, which state, in relevant part, that:

> The offer [of rescission] shall be in the form and contain the information the Commissioner by rule or order prescribes.

The Commissioner finds that a rescission offer must be accompanied, in most cases, by a document meeting the requirements of a prospectus for a registration by qualification in order that an investor have available to him adequate information on which to base his decision whether to rescind or to continue with his investment. Further, the Commissioner finds that offerors have had no guidance in the past as to the type of disclosure which would be required by the Securities Division. The Commissioner finds that this rule fills that vacuum.

As originally proposed, the rule would have required all rescission offers to be accompanied by a document meeting the requirements of a prospectus. Numerous objections were raised in this regard (transcript pages 77-90), principally in regard to the costs involved in the registration of a rescission offer. The Commissioner finds that these objections are valid, and has therefore amended the proposed SDiv. 2126 to insert the words "normally" after the word "shall" in the second line of SDiv. 2126. The Commissioner finds that this amendment is necessary in order to provide some flexibility in situations where a full blown prospectus appropriate for a registration for qualification would be unduly burdensome or for some other reason inappropriate.

(17)

That SDiv. 2135 is adopted, with modification, from proposed SDiv. 2135; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it did not receive any adverse comments at the hearing or in writing.

This rule is necessary in order to clarify existing SDiv. 2135 as it would apply to rules amended at the hearing dated July 16,

1975. The Commissioner finds that the rules specifically referred to in SDiv. 2135, as amended are intended to incorporate by reference changes in federal and state statutes, rules, decisions and opinions occurring through July 16, 1975 and that this amendment is essential in order to inform the public that all changes after April 15, 1974 as they relate to the specified rules are intended to be incorporated into those rules.

The only change made is to correct a typographical error by inserting the word "and" in the sixth line for the word "add".

(18)

That SDiv. 2137 is adopted, without change, from proposed SDiv. 2137; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it did not receive any adverse comments at the hearing or in writing.

The Commissioner finds that this rule is necessary in order to formally repeal SDiv. 1 through 1102, rules which were enacted under Chapter 80, the predecessor to the present Chapter 80A and to formally notify the public that these rules are no longer in effect.

(19)

The following items are forms which have been adopted as rules. Some initial comments are given here since they apply to all forms generally and will alleviate the need for extensive repetition as each form is discussed.

The Commissioner finds that the adoption and publication of various forms is essential in order that all interested persons may know what is required and acceptable in Minnesota. Publication of the forms will eliminate numerous inquiries as to "what do I furnish" and "how do I present the information." It will also eliminate the various types of forms used in the past and will

substantially reduce the costs of this office in duplicating and mailing forms to industry persons throughout the country.

The adopted forms generally come within three broad classifications:

a) Those that are substantially identical with a uniform form used by many other states and federal agencies ("Uniform")

b) Those that set forth a format to present information already required by existing rules ("Format")

c) Those that present a suggested form that may be used and is acceptable. ("Suggestion")

An example of (a) the "Uniform" variety would be form "U-2". This form is commonly used throughout the country as an appointment of attorney for consent to service of process.

An example of (b) "Format" variety is Form 102A. Existing rule SDiv. 2027 sets forth detailed information required in the filing of the annual report and form 102A merely provides a format for the information to be presented.

An example of (c) the "Suggestion" variety would be the Form of Impoundment Agreement. Existing rule SDiv. 2023 requires offering proceeds to be impounded under certain circumstances and this type of form could be utilized where none other is currently available. Certainly other forms containing substantially identical terms would be acceptable.

In conclusion, the primary purpose in adopting forms, as rules, is to be able to publish them and thereby inform any interested person of the forms and formats that are acceptable by the Securities Division.

(20)

That the form entitled "Application to Register Securities" is adopted, with modification, from the proposed form; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it did receive comments from the public at the hearing.

The form is one of the "uniform" variety and is currently used by the SEC and accepted by many states as the standard application to register securities. The Commissioner notes that this form has been accepted by the Minnesota Securities Division for several years and has proven to be an acceptable format for review by the Securities Division of applications to register securities.

The Commissioner has inserted the words "Form U-1 will be acceptable in lieu of this form" to clarify the intent of the Securities Division to accept Form U-1 as an application for registration. The differences between proposed "Application to Register Securities" and Form U-1 are minor and the Commissioner finds that either form provides the necessary information.

The only changes made are to correct typographical errors: the word "or" is substituted for the word "of" in item 4 under the column "Offering in this State" and item 5 is changed to include only one blank.

(21)

That Form 137 is adopted, without change, from proposed Form 137; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it received no adverse comments at the hearing or in writing.

Form 137 is a "Blanket Bond for Agents Acting for Issuer or Broker-Dealer in Securities". This form is a "suggested" type as it has been stated at the hearing that the Commissioner will accept other forms that provide for substantially identical terms as this form.

The Commissioner finds that this form insures that blanket bonds provide the type of protection that they are designed to guarantee. However, the Commissioner further finds that variations from this bond are acceptable if they provide equivalent protections.

That Form 101 is adopted, with modification, from proposed Form 101; that it is adopted pursuant to Section 80A.25, Subdivision 1, and Section 80A.05, Subdivision 1; and that it did receive adverse comments at the hearing.

Form 101 is an application for Investment Adviser's License and is one of "format". Section 80A.04 and Section 80A.05 require investment adviser licensing and require applicants to file applications containing such information as the Commissioner requires.

The Commissioner finds that the information required to be provided by Form 101 is necessary in order for him to determine whether an investment adviser's license should be issued.

Several changes were suggested at the hearing by Mr. Davis. (transcript pages 114-119) and are presented in the order received.

a) Davis suggested that item #8 should be changed to delete the word "employment" and that the question should ask only for contracts between the applicant and employer. The Commissioner finds that the question as drafted is ambiguous and therefore amends item #8 to reflect that the information sought relates to contractual agreements between the investment adviser and his client in respect to licensed activity.

b) Davis suggested that item #9 should be changed to exclude fees paid to attorneys and other ordinary expenses. The Commissioner finds that such a change is necessary in order to limit the scope of the question to the information required (e.g. fee splitting and similar arrangements). Therefore, item #9 is changed by the insertion of the phrase "attorneys and for other than necessary direct expenses of the applicant" after the word "organization" in the second line.

c) Davis suggested that item #10 should define "discretionary power". The Commissioner is not changing the question because of the difficulty of trying to clarify item #10. The Commissioner has determined that any change would raise more questions than it would

answer. In addition, the Commissioner notes that the question is one of disclosure and not what constitutes fair or equitable "discretionary power". Since discretionary power may cover a number of areas (i.e. price, time, amount) item #10 is best left as it is so that all areas of discretion will be disclosed.

d) Davis suggested item #14 should include trusts and estates. The Commissioner finds that this category requires separate treatment and item #10 will be amended to include subparagraph (i) "other trusts or estates".

e) Davis suggested item #16 should be amended. The Commissioner finds that adequate investor protection can be achieved with a review of only literature distributed to 50 or more clients and that this change will reduce what might otherwise be a heavy burden on applicants. The Commissioner therefore amends item #16 to read "Furnish copies of any bulletins, circulars or literature prepared by applicant for distribution to 50 or more clients or potential clients".

f) Davis suggested that item #18 be omitted from the form. However, the Commissioner finds that this item is an important disclosure in the application. Yet he does feel that item #18 should be clarified by adding "if done internally. If done externally please state sources". He finds that a description of systems used in determining investment advice is essential only if prepared internally. However, if outside sources are used, they must be identified for purposes of review.

g) Davis suggested that item #21 should be changed to allow for the applicant's latest fiscal year statements. The Commissioner finds that the applicant's most recent audited financial statements, if supplemented by unaudited statements as of a date within 90 days before filing, provide a suitable alternative disclosure which is necessary in order to reduce the burden on applicants of filing. The Commissioner therefore amends item #21.

(23)

That Form 172 is adopted, without change, from proposed Form 172; that it is adopted pursuant to Section 80A.25, Subdivision 1 and Section 80A.05, Subdivision 5; and that it did not receive any criticism at the hearing or in writing.

Form 172 is the Bond for Investment Adviser and is of the "Suggested" nature. Other bonds containing substantially the same terms would be acceptable.

The Commissioner notes that this form has been in use in the Securities Division for several years and finds that the Form is necessary to provide a functional means by which the public protection inherent in bonding and required by SDiv. 2014(c) may be guaranteed.

(24)

That Form 104-54 is adopted, with modification, from proposed Form 104-54; that it is adopted pursuant to Section 80A.27, Subdivision 7; and that it did receive two identical comments.

Form 104-54 consists of a Directors Resolution Authorizing Corporate Appointment of Attorney and a Corporate Appointment of Attorney for Service of Process. This form is of the "Suggestion" variety and is intended to be used as an exhibit to the application for licensing of broker/dealers and investment advisers.

Both comments received objected to the fact that the proposed form required the appointment of attorney be done at a legal meeting of the board of directors. (See transcript page 124 and a letter dated August 5, 1975 from Mr. Frommelt.)

The Commissioner finds that these comments are valid and that the last two lines on page 1 of Form 104-54 must be modified to read: "...which resolution was duly adopted by said board of directors effective on the ____day of _____, 19__."

The Commissioner notes that this form has been utilized by the Securities Division for several years and finds that it provides a workable method of assuring the availability of a properly

authorized and appointed agent for service of process, which is essential in order that Minnesota Securities licensees be subject to suit in Minnesota for causes of action arising out of the Minnesota Securities Law.

(25)

That Form 106 is adopted without change from proposed Form 106; that it is adopted pursuant to Section 80A.25, Subdivision 1 and 80A.27, Subdivision 7; and that it did not receive any adverse comments at the hearing or in writing.

Form 106 is an Individual Appointment of Attorney for Service of Process and is of the "Suggestion" type of form. This form will be used in place of Form 104-54 when the broker/dealer or investment adviser is not a corporation and is a non-resident of Minnesota.

The Commissioner notes that this Form has also been in use by the Securities Division for many years and has found that it provides a workable method of assuring the availability of a properly authorized and appointed agent for service of process, which is essential in order that Minnesota Securities licensees be subject to suit in Minnesota for causes of action arising out of the Minnesota Securities Law.

(26)

That the Quarterly Report form is adopted, with modification, from the proposed Quarterly Report Form; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it did receive adverse comments at the hearing and in writing.

The Quarterly Report Form is a "format" type and is merely a presentation of the same data required by the existing rule SDiv. 2024. Modifications have been made to clarify the form, to eliminate redundant information and to provide a standard basis of information required. The Commissioner finds that this form is essential to make uniform the quarterly reports filed with

the Securities Division and to assist registrants in complying with rule SDiv. 2024. The Commissioner finds that this form makes no substantive change in the requirements which are already imposed on registrants by SDiv. 2024.

Comments received in writing were from Mr. Frommelt in a letter dated August 5, 1975. In that letter, Mr. Frommelt presents various substantive changes to the quarterly report form. The Commissioner feels that the types of changes requested would require another hearing and feels that since quarterly reports to this division have been required since September, 1975, it is imperative to publish this form as expeditiously as possible and without the necessity of another hearing. Additionally, the comments are directed toward the existing rule SDiv. 2024 and not the quarterly report form itself.

Comments received at the hearing were by Mr. Davis (transcript pages 124-127) and are as follows:

a) Addition of the securities division file number. The Commissioner finds that this change is necessary in order to facilitate internal paperwork.

b) Second line should read "so long" not "so lond". This is a typographical error and will be corrected.

c) Deletion of the following from the first paragraph "...in such form, and containing such information as the Commissioner prescribes. At a minimum, the quarterly report shall contain the following information:" The Commissioner finds that the deletion is valid since the deleted language merely reiterates what is already stated in SDiv. 2024.

d) Delete "...all of which may be waived." from the end of the paragraph just beneath the Registrant's telephone number. The Commissioner finds that this could be confusing and is inappropriate on this form.

e) Addition of a reconciliation paragraph to show increases or decreases in securities of the registrant. In the Commissioner's opinion this comment is of a material nature and would require another

hearing to implement. It also would pose a more stringent requirement on a registrant (i.e. to reconcile on a quarterly basis) than currently exists and therefore more appropriately pertains to the annual report from where this information is requested.

f) That each item of information be represented by a number. The Commissioner agrees that this would be helpful and numbers are inserted corresponding to those in SDiv. 2024.

g) That a space for an authorized signature be provided. The Commissioner finds that this change is necessary in order that the individual responsible for the filing can be identified and contacted, where necessary.

(27)

That Form 102A is adopted, with modification, from proposed Form 102A; that it is adopted pursuant to Sec. 80A.25, Sub. 1 & 80A.12, Sub.. 10; and that it did receive comments at the hearing and in writing.

Form 102A is the Form of Annual Report required by existing rule SDiv. 2027 and is another of the "Format" variety. The Commissioner finds that SDiv. 2027 sets forth what information is required to be reported annually and Form 102A merely presents a standard basis on which to present the required information.

At the hearing (transcript pages 125-127) Mr. Davis suggested a reconciliation of increases and decreases in outstanding securities be incorporated into Form 102A so that the form would more closely follow the requirements of the S.E.C. in their form 10-K which is also acceptable in lieu of this form. Mr. Davis felt that these changes were not of a substantive nature and could be utilized in Form 102A by slightly revising the schedule of information required. The Commissioner finds that the change would improve the uniformity of the form and is necessary in order to provide the information required by SDiv. 2027(a)(13).

Mr. Davis also suggests (transcript pages 127-129) that what is now Form 102A, item #13 should provide for a description of "all

parents and subsidiaries" rather than "all affiliates". This again would follow form 10-K required by the S.E.C. The Commissioner finds that a listing of all affiliates could be confusing and cumbersome, and that "parents and subsidiaries" is more understandable, yet provides the necessary information.

At the suggestion of Mr. Davis (transcript page 129-130) the Commissioner is numbering the appropriate information requirements to conform as much as possible with the numbering established in existing rule SDiv. 2027.

Mr. Davis further suggested at the hearing (transcript page 130-131) that information item #16 be clarified to require some minimum standard for which no information would be required. The Commissioner finds that disclosure of remuneration by officers making less than $25,000 is unnecessary and modifies item #16 to provide for a minimum compensation factor of $25,000 before disclosure is necessary.

Mr. Davis felt that item #17 was too broad and should not include all options. The Commissioner notes that this language is taken directly from existing rule SDiv. 2027(a)(17) and that only those options owned by officers and directors are required to be reported and therefore not every option need be disclosed. Therefore, this should satisfy the intent of Mr. Davis; comment (transcript pages 131-132).

In a letter from Mr. Frommelt dated August 5, 1975, he makes several mechanical suggestions to clarify the form and the Commissioner has made the appropriate corrections.

In addition, Mr. Frommelt also suggests the use of "parents and subsidiaries" for item #13 which has been amended to reflect this comment and suggests a minimum amount requirement for item #16 which also has been included.

The Commissioner finds that paragraph 18 was inadvertently omitted from the proposed rules, but that this information is required by SDiv. 2027(a) to be disclosed. Therefore there is no substantive change since the information is already required.

In summary, the Commissioner notes that extensive modification in Form 102A has been made to simplify, correct and clarify the

requirements of SDiv. 2027, and that it was done in response to the comments received by Mr. Davis at the hearing and in a letter from Mr. Frommelt. None of the changes are of a substantive nature except as herein explained.

(28)

That Form 111 is adopted without change from proposed Form 111; that it is adopted pursuant to Section 80A.25, Subdivision 1, Section 80A.05, Subdivision 5 and SDiv. 2014(c); and that the Form did not receive any criticism at the hearing or in writing.

Form 111 is a Securities Agent Bond and is of the "Suggestion" nature. The form is necessary in order to assure that securities agents are properly bonded. The Commissioner finds that this form, which has been used by the Securities Division for many years, provides a feasible means by which proper bonding can be achieved, and is necessary to inform licensees of the requirements imposed upon them by the Securities Division. Other forms containing substantially the same terms will be acceptable to the Commissioner.

(29)

That the Form of Escrow Agreement is adopted, with modification, from the proposed Form of Escrow Agreement; that it is adopted pursuant to Section 80A.25, Subdivision 1, Section 80A.12, Subdivision 5 and SDiv. 2021; and that it did receive several comments at the hearing.

The Form of the Escrow Agreement is one of the "Suggestion" variety and any comparable form containing substantially identical terms will acceptable. This form will be utilized when securities are required to be escrowed under the terms of registration. The Commissioner finds that this form, or substantially identical forms, are essential in order to guarantee the protections necessary where an escrow agreement is required.

The comments presented at the hearing (transcript pages 132-

138) were presented by Mr. Davis and are as follows:

a) Change line 12, paragraph 1, page 2 to provide that an officer of the issuer be allowed to make the certification of the financial statements. The Commissioner finds that this change is necessary in order to reduce an unnecessary cost in providing a report of annual net earnings, while retaining the intent of the paragraph. Therefore, lines 11-12 of the aforesaid paragraph are amended to read: "...shall be demonstrated by certification to that effect furnished to the Commissioner by an independent certified public accountant or an authorized officer of the issuer".

b) Amend the last sentence of paragraph 1, page 2 to allow for paragraph 4. The Commissioner finds that this suggestion is appropriate and modifies this paragraph by inserting "(except as permitted by paragraph 4)" between the words "of" and "as".

c) That paragraph 5 may be an undue burden on a holder of escrowed securities. The Commissioner finds that this comment is of merit because the proposed paragraph renders escrowed securities ineligible for dividends of cash or property. The Commissioner finds that depositors should not be deprived of dividends and therefore modifies this paragraph to provide that escrowed securities may share in cash or property dividends to the same extent as other security holders of the same class provided that such dividends are placed under the terms of the escrow agreement.

d) That paragraph 7 be clarified to remove an inconsistency with paragraph 4. The Commissioner finds that paragraph 7 must be amended to clarify that dispositions or transfers consented to by the Commissioner need not be included when a depositor certifies that escrowed securities have not been disposed of. The Commissioner finds that the modification is necessary in order to clarify inconsistencies within the form itself.

e) Paragraph 8 must be amended to provide for the release of escrowed securities in exchange for new securities in a merger transaction. The Commissioner finds that such a change is

necessary in order to permit the release of old securities so that mergers, which are intended to be facilitated by paragraph 8, can go forward. The Commissioner therefore amends paragraph 8 by adding the following after the word "corporations" in line 4 of paragraph 8: "In the event of such a transaction, the escrow agent should obtain written authorization from the Commissioner prior to the release of escrowed securities, and any such....."

(30)

That the Impoundment Agreement is adopted, with modification, from the proposed form of Impoundment Agreement; that it is adopted pursuant to Section 80A.25, Subdivision 1, Section 80A.12, Subdivision 5 and SDiv. 2022; and that it did receive several comments at the hearing.

The form of Impoundment Agreement is to be used under certain conditions specified in SDiv. 2022 and is of the "Suggestion" variety. The Commissioner finds that this form, or essentially equivalent forms, is necessary in order to provide the necessary protections to investors were impoundment as required.

The comments made at the hearing (transcript pages 138-142) by Mr. Davis concern the following items:

a) That trust companies be included as authorized agents. The Commissioner finds that trust companies are specifically indicated to be intended to qualify as impoundment agents by SDiv. 2022(a)(2) and that this change is necessary in order to maintain consistency with SDiv. 2022(a)(2). Therefore, line 6 of the Impoundment Agreement is amended to include trust companies.

b) That any extension of the term of impoundment not be required to be consented to by all subscribers. This was clarified at the hearing to mean any extension beyond the maximum time called for in the prospectus. The comment being clarified, Mr. Davis was satisfied and therefore paragraph 4 will remain unchanged.

c) That paragraph 5 be classified to provide for suspension or else a revision of the caption. The Commissioner finds that this change is needed to clarify this paragraph so that it conforms with the heading and therefore amends it to include "or suspended" after the word "revoked". The Commissioner finds that a refund is necessary in the event that a registration is suspended in order to protect investors, since further sales are effectively prohibited and the amount specified in the agreement will not be reached.

d) That the requirement in paragraph 6 that an independent certified public accountant certify a statement by the issuer that the terms of impoundment have been fulfilled be removed. The Commissioner finds that this requirement is too costly as compared to inconsequential benefits, and agrees to modify paragraph 6 to add "or an officer of the issuer" following the word "accountant" so that certification by an officer of the issuer is specifically recognized as acceptable.

(31)

That Form U-2 is adopted without change from proposed Form U-2; that it is adopted pursuant to Sec. 80A.25, Sub. 1 & 80A.27, Subdivision 7; and that it did not receive any comments.

Form U-2 is a Uniform Consent to Service of Process and is of the "Uniform" type in use and acceptable by most states. It is to be used in connection with the registration or sale of securities and is Exhibit 8(h) to the "Application to Register Securities". It includes a corporate, individual or partnership acknowledgement of the appointment of attorney.

The Commissioner finds that this form is necessary in order to assure that registrants properly consent to service of process so that investors have a means by which they can bring suit for violations of Minnesota Law.

(32)

That Form U-2A is adopted without change from proposed Form U-2A; that it is adopted pursuant to Section 80A.25, Subdivision

1; and that it did not receive any comments.

Form U-2A is the Uniform Form of Corporate Resolution and is of the "Uniform" variety. This form is used by an issuer and accompanies the "Application to Register Securities" as an exhibit.

The Commissioner finds that this form is necessary to assure that individuals acting on behalf of corporations in fact have the corporation's authority to do so, in order that the corporation be bound by the acts of individuals purporting to have such authority.

(33)

That Form 170 is adopted, with modification, from proposed From 170; that it is adopted pursuant to Sec. 80A.25, Sub. 1 & 80A.15, Subdivision 2(h); and that it did receive adverse comments at the hearing and in writing.

The purpose of Form 170 is to set forth the information required to be filed with the Division when an issuer will be distributing securities under the exemption provided by Section 80A.15, Subdivision 2(h). This form does not conveniently fit into any of the three categories and may be considered to be more of an instructional type of form than any other. It has been the practice of the division for the past several years to use this form. The Commissioner has found that this form is needed in order to inform interested persons of what the filing requirements are under this particular exemption. The Commissioner further finds that the information required by Form 170 is essential in order that he be able to determine whether to withdraw or further condition the availability of the exemption pursuant to 80A.15, Subdivision 2(h).

In response to comments given at the hearing by Mr. Davis (transcript pages 142-146) and in a letter from Mr. ABdo dated July 23, 1975, which comments were substantially identical, the

Commissioner has made the following modifications to clarify the form:

The Commissioner finds that the language of paragraph 12(b) must be amended in several respects for purposes of clarity.

The Commissioner has determined that the amendments that have been made are necessary in order to clarify that offers and sales are not permitted prior to filing, to remove references to disposition for value and by operation of law which was superfluous and to correct an improper reference to the repealled Minn. Stat. Chapter 80. The Commissioner also removes the requirement that language equivalent to that suggested in paragraph 12(b) be approved by the Commissioner since that requirement is unduly burdensome to both issuers and the Securities Division.

The Commissioner further finds that "Exhibit B", as proposed, was ambiguous and could have been interpreted to require the issuer to file with the Commissioner any financial information made available to any potential investor. The Commissioner finds that such information, if filed, would be unnecessary since copies of such documents and information as are provided to all offerees are adequate for the Commissioner to carry out his duties pursuant to Section 80A.15, Subdivision 2(h). The Commissioner finds that "Exhibit B" must be amended to clarify the limitations on the type of information that must be filed.

The Commissioner also finds that a time limit should be set on the period in which an issuer consents to permit the Commissioner to inspect its records and obtain information from it. The Commissioner has determined that a period coterminous with the statute of limitations is appropriate, and has therefore adopted that period. However, the Commissioner has determined that this clause could be misconstrued as limiting the Commissioner's statutory authority to compel information. Therefore the Commissioner has inserted a sentence which clarifies the interpretation of this clause, which is that the issuer will not object to requests by the

Commissioner for information during the relevant three year period, but that the Commissioner will retain his ability to subpoena such information after that period expires.

Finally, the Commissioner finds that it is critical to add the sentence at the bottom of page 2 in order to warn issuers of the provisions of SDiv. 2118(f), so that they do not unintentionally violate the terms of the exemption.

(34)

That Form BD is adopted, with modification, from proposed Form BD; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that one adverse comment was received in writing.

Form BD is a "Uniform" type of application for registration, license or membership as a broker-dealer or to amend such application. The Commissioner notes that it is currently used and accepted by most states, the NASD and the SEC. It is the result of years of effort to produce a uniform form.

The Commissioner also notes that since the hearing was held the SEC has modified Form BD and it became effective on October 1, 1975, as revised.[9]

The modifications were a result of new federal legislation amending the Federal Securities Exchange Act of 1934 ("the Act").

Section 3(a)(39) of the Act as amended provides a list of "statutory disqualifications" for persons in regard to membership or participation in, or association with a member of, a self-regulatory organization. This list enlarges the statutory bars previously contained in the Act. Similarily, Section 15(b)(4) contains a list of offenses which may result in certain disciplinary actions being taken against a broker-dealer if the broker-dealer or any associated person has committed such offenses. The list is expanded from the offenses enumerated in Section 15(b)(5) of the

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[9]SEC Docket 343; Release No. 11530; July 10, 1975.

Act prior to amendment. Moreover, Section 15(b)(6) of the Act as amended extends to associated persons liability to disciplinary action for commission of such offenses. Accordingly, these disqualifications and offenses have been incorporated in Question 10(a) of Form BD which requires the broker-dealer to report whether it or any associated person has been involved in specified difficulties in the securities industry. Question 10(b) regarding commodities activities has been modified to conform in certain respects.

In addition, in Questions 10 and 14(a) the phrase "controlling or controlled by" has been augmented by the phrase "or under common control with" to track new statutory language.

While it is only reasonable (for the sake of uniformity) to promulgate the new version of Form BD, it should be noted that the Commissioner does not imply that any changes to the Federal Act can be incorporated by reference and become defacto changes to Chapter 80A. The promulgation of this form is not intended to set new standards for denial, suspension or revocation of a license. Such changes can only be made by the Minnesota Legislature.

In summary, then these modifications of Form BD are essentially designed to conform the form to legislative changes in the Securities Exchange Act of 1934. The Commissioner finds that it is necessary to incorporate these changes in order that the underlying purpose of uniformity be achieved. The disclosures required by Schedule F, paragraph II(a)(b) and (c) and by III(h) and (i) are removed. The Commissioner finds that this information is unnecessary to his determination of whether licenses should be granted and that Schedule F is more susceptible to amendment since not part of the uniform filing provided to the Securities and Exchange Commission. In the Commissioner's opinion, these modifications are only minor differences when viewed in light of the form as proposed.

That Form U-4 is adopted, with modification, from proposed Form U-4; that it is adopted pursuant to Section 80A.25, Subdivision 1; and that it did receive one comment in writing.

The Form U-4 consists of a Uniform Application for Securities and Commodities Industry Representative and/or Agent; instructions for completing the form; and addenda including a supplemental information sheet and a New York Stock Exchange, Inc. agreement. The entire U-4 is of a "Uniform" variety and is currently utilized and accepted by most states. The Commissioner notes that this form has been utilized by the Minnesota Securities Division and has provided a workable method for obtaining information necessary to determine whether a license should be granted. The Commissioner finds that this form provides an essential method of simplifying the application process.

In a letter dated August 5, 1975, Mr. Frommelt objects to the inclusion of the second to last paragraph on page 2 regarding the release of information to a regulatory body.

The Commissioner notes that this is a standard language in uniform forms such as this, and feels that the ability of the division to obtain this information is necessary for the protection of the public. The policy of the division is to deal with facts, not heretical accusations as Mr. Frommelt's letter suggests and that if certain facts were presented to the Commissioner from former employers of the applicant, and those facts revealed a persistant pattern of "white collar" violations (for example embezzlement), it may well be that the Commissioner would not grant a license. Further, without this provision the Commissioner would not be allowed to gain access to information necessary to verify that presented on an application without being subjected to certain legal liabilities. For these reasons, the Commissioner is not amending the application at this time.

The Commissioner notes that the final adopted version of Form U-4 contains certain miscellaneous rephrasing and reordering of

the form as finally adopted by federal agencies and that these changes occured after the hearing was held. The Commissioner finds that the modifications do not constitute any material changes and only serve to further simplify the form. Again, uniformity mandates that these changes be made. Past experience demonstrates that even if the form as proposed were adopted, the vast majority of the applications received would be on the new form.

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES DIVISION

John R. Larson

JOHN R. LARSON
STATE COMMISSIONER OF SECURITIES

Dated April 8th, 1976.

STATE OF MINNESOTA

COUNTY OF RAMSEY

BEFORE JOHN R. LARSON

COMMISSIONER OF SECURITIES

In the Matter of the Proposed Adoption of Rules and Forms of the State Securities Division of the Department of Commerce, Governing Exemptions and Other Matters Pursuant to Minnesota Statutes 1974, Chapter 80A.

ORDER ADOPTING RULES

The above-entitled matter came on for hearing before the Commissioner of Securities of the State of Minnesota on the 16th day of July, 1975 at 9:00 in the Hearings Room of the State Department of Commerce, Fifth Floor, Metro Square Building, St. Paul, Minnesota, after proper notice required by Minn. Stat. 1974, Section 15.0412 was served upon all persons, associations and other interested groups registered with the Secretary of State for that purpose.

After affording interested persons an opportunity to present written and oral data, statements and arguments, having heard all of the testimony, having considered all of the evidence adduced and upon the records, files and proceedings herein, and applicable statutory standards or criteria, and having confirmed the need for the above captioned rules.

NOW, THEREFORE, IT IS ORDERED, that these rules identified as SDiv. 2077, SDiv. 2079, SDiv. 2089, SDiv. 2099, SDiv. 2110, SDiv. 2113, SDiv. 2114, SDiv. 2115, SDiv. 2116, SDiv. 2117, SDiv. 2118, SDiv. 2119, SDiv. 2121, SDiv. 2122, SDiv. 2126, SDiv. 2135, SDiv. 2137, Form for Application to Register Securities, Blanket Bond for Agents Acting for Issuer or Broker Dealer in Securities, Form 101, Form 172, Form 104-54, Form 106, Quarterly Report Form, Form 102A, Form 111, Form for Escrow Agreement, Form for Impoundment Agreement, Form U-2, Form U-2A, Form 170, Form BD and Form U-4 are adopted this 8th day of April, 1976, pursuant to authority vested in me by Minnesota Statutes Chapter 80A and specifically Minn. Stat. Section 80A.25, 80A.05, 80A.12, 80A.15 and 80A.27.

STATE OF MINNESOTA
SECURITIES DIVISION

John R. Larson

JOHN R. LARSON
STATE COMMISSIONER OF SECURITIES