GLEN B. GAINER, JR.
STATE AUDITOR
AND
COMMISSIONER OF SECURITIES

STATE OF WEST VIRGINIA
STATE AUDITOR'S OFFICE
CHARLESTON
25305

Emergency

JACK HALL
DEPUTY SECURITIES COMMISSIONER
AREA CODE 304
PHONE 348-2257

June 1, 1984

The Honorable A. James Manchin
Secretary of State
Capitol Complex
Charleston, West Virginia 25305

Dear Secretary Manchin:

Pursuant to Chapter 29A, Article 3, Section 15, and Chapter 32, Article 4, Sections 402(b)(9) and 412 of the West Virginia Code, 1931 as amended, the Commissioner of Securities is authorized to promulgate the following emergency rule. This rule will amend Rule 15.06(b)(9) on page fourteen by adding a new section to be designated as 3(d).

Enclosed are two copies of the emergency rule together with a statement of the facts and circumstances constituting the emergency. This emergency rule will become effective upon filing.

Sincerely,

Jack Hall

Jack Hall
Deputy Commissioner of Securities

FILED IN THE OFFICE OF
A. JAMES MANCHIN
SECRETARY OF STATE
THIS DATE June 1, 1984
Administrative Law Division

JH/ab

Enclosure

E M E R G E N C Y   R U L E

STATEMENT OF FACTS

In order to coordinate with the Securities and Exchange Commission and the majority of states, the Commissioner of Securities for West Virginia promulgated Legislative Rule 15.06 known as the Uniform Limited Offering Exemption (hereinafter referred to as "ULOE") which is used in connection with Regulation "D" offerings. On March 10, 1984, the West Virginia legislature passed Senate Bill No. 425 which contained Rule 15.06 which will become effective June 1, 1984.

Prior to the effective date of Rule 15.06, virtually every limited offering had to be registered with the Division of Securities. The revenue generated from these registrations averaged about $180,000 annually. The adoption of ULOE will result in the Commissioner's office losing this annual sum of registration revenue.

In anticipation of this revenue loss, the Commissioner promulgated a companion bill requiring a filing fee of $125 for each "Regulation D" offering. Based on the annual number of "Regulation D" offerings, the $125 filing fee would produce nearly $180,000 which would be sufficient to offset the annual registration revenue loss. This companion bill authorizing the Commissioner to charge a $125 filing fee was never reported out from legislative committee. The end result is an annual revenue loss of 20% to the general fund of the state treasury.

The Commissioner promulgated this emergency rule as a necessity for the immediate preservation of public welfare. This rule is in the public interest and will remain in effect as an emergency measure until the legislature convenes next session and corrects this fiscal oversight.

CERTIFICATION

This Emergency Rule filed on June 1, 1984, in the Office of the Secretary of State of West Virginia is filed pursuant to Chapters 32 and 29A, Code of West Virginia, 1931 as amended.

This rule is certified Authentic by the Auditor of the State of West Virginia, Glen B. Gainer, Jr., by his hand and official seal set hereunto.

Glen B. Gainer, Jr.

Glen B. Gainer, Jr.
State Auditor and Securities Commissioner
For The State Of West Virginia

E M E R G E N C Y   R U L E

Amendment to Rule 15.06(b)(9)

3.(d) Any person who utilitzes any limited offering exemption which the Commissioner establishes pursuant to the rule-making authority provided by Chapter 32, Article 4, Section 402(b)(9) of the West Virginia Code, 1931 as amended, shall be assessed a non-refundable filing fee in the amount of one hundred twenty-five dollars ($125.00). Said fee shall accompany the notice of first sale which is required to be filed with the Commissioner no later than fifteen days after the first sale in reliance upon said exemption. Failure to pay such fee as required by this subsection shall constitute grounds for the Commissioner to deny or revoke said exemption pursuant to Chapter 32, Article 4, Section 402(c) of the West Virginia Code, 1931 as amended. Fees collected under this subsection shall be deposited in the state treasury and credited to the general revenue fund.

FILED IN THE OFFICE OF
A. JAMES MANCHIN
SECRETARY OF STATE
THIS DATE June 1, 1984
Administrative Law Division

Emergency

GLEN B. GAINER, JR.
STATE AUDITOR
AND
COMMISSIONER OF SECURITIES

STATE OF WEST VIRGINIA
STATE AUDITOR'S OFFICE
CHARLESTON
25305

JACK HALL
DEPUTY SECURITIES COMMISSIONER
AREA CODE 304
PHONE 348-2257

November 26, 1984

The Honorable A. James Manchin
Secretary of State
Capitol Complex
Charleston, West Virginia 25305

Dear Secretary Manchin:

On June 1, 1984 the Commissioner of Securities promulgated the attached emergency rule. Pursuant to Chapter 29A, Article 3, Section 15(b) of the West Virginia Code, 1931, as amended, the Commissioner of Securities hereby requests an extension of the emergency rule for a period of one hundred eighty days.

Enclosed are two copies of the emergency rule together with a statement of facts and circumstances constituting the emergency.

Sincerely,

Jack Hall
Deputy Commissioner of Securities

SECRETARY OF STATE
OFFICE OF W. VA.
1984 NOV 26 PM 1:18
FILED

JH/ab

Enclosure