



ALABAMA SECURITIES COMMISSION

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ORDER EXEMPTING CERTAIN OFFERS OF SECURITIES MADE ON THE INTERNET FROM SECURITIES REGISTRATION

WHEREAS the Alabama Securities Commission is charged with the administration of the Alabama Securities Act (the "Act") and Chapter 830-X-1 et seq. of the Regulations promulgated under the Act;

WHEREAS §8-6-23 of the Act provides, in part, that "[t]he Securities Commission may from time to time make, amend and rescind such rules as are necessary to carry out the provisions of this article . . .";

WHEREAS the Commission acknowledges that an attempt to offer to dispose of, or the solicitation of any offer to buy, a security or an interest in a security for value, that is made on or through the Internet, the World Wide Web or a similar proprietary or common carrier electronic system (such systems hereinafter being referred to collectively as the "Internet"), would constitute an "offer" for purposes of §8-6-2(8) and §8-6-12 of the Act, and would otherwise trigger the registration requirements in §8-6-3;

WHEREAS the Commission also acknowledges that use of the Internet may be a legitimate means of raising capital, and that a communication made on the Internet may be directed not only to particular recipients but also to anyone with access to the Internet;

WHEREAS the Commission finds that the issuance of this Order 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 the Act;

WHEREAS the Commission further finds that the registration of certain Internet offers is not necessary or appropriate in the public interest or for the protection of investors;

THE ALABAMA SECURITIES COMMISSION THEREFORE ORDERS THAT:

1. Offers of securities made by, or on behalf of, issuers on or through the Internet shall be exempt from §8-6-3 of the Act if the following conditions are observed:

A) The Internet offer indicates, directly or indirectly, that the securities are not being offered to residents of Alabama;

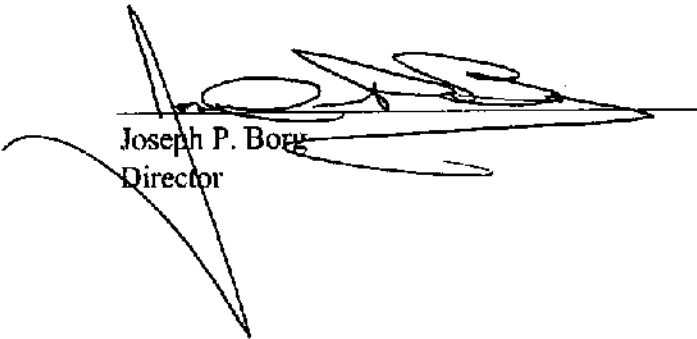
B) The Internet offer is not specifically directed to any person in Alabama by, or on behalf of, the issuer of the securities; and

C) No sales of the issuer's securities are made in Alabama as a result of the Internet offering until such time as the securities being offered have been registered pursuant to the provisions of §8-6-4 through §8-6-9 or other applicable provisions of the Act, and a final prospectus or Form U-7 is delivered to Alabama investors prior to such sales.

2. Nothing in this Order shall preclude an issuer, or a person acting on behalf of an issuer, which offers securities on the Internet or effects sales to Alabama residents following such an offering from relying upon any other applicable exemption provided by the Act, nor shall this Order relieve such persons from liability under §8-6-3 of the Act, or any other provision of the Act.

3. This Order shall remain in effect until amended or rescinded by the Alabama Securities Commission.

Dated this the 25th day of September, 1996.



Joseph P. Borg
Director