

ALABAMA SECURITIES COMMISSION
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**ALABAMA SECURITIES COMMISSION ANNOUNCES LAUNCH OF
STREAMLINED ELECTRONIC FILING DEPOSITORY**
EFD Offers Efficiency for Issuers and Improved Transparency for Investors

MONTGOMERY, ALABAMA (Dec. 15, 2014) – The Alabama Securities Commission (ASC) today announced the launch of the online Electronic Filing Depository (EFD) to enhance the efficiency of the regulatory filing process for certain exempt securities offerings.

Developed by the North American Securities Administrators Association (NASAA), of which ASC is a member, EFD is an online system that allows an issuer to submit a Form D for a Regulation D, Rule 506 offering to state securities regulators and pay related fees. The EFD website also enables the public to search and view, free of charge, Form D filings made with state securities regulators through EFD. EFD is available at: <https://www.efdnasaa.org>.

“We are very pleased to provide the EFD system to create an efficient, streamlined system for state Form D filing requirements. Issuers will benefit from this uniform and effective regulatory tool, which also strengthens investor protection by improving the transparency of Form D filings,” said ASC Director, Joseph Borg.

Rule 506 of Regulation D is a “safe harbor” for the private offering exemption of Section 4(a)(2) of the Securities Act and also provides an exemption for public offerings to verified accredited investors. Issuers relying on the Rule 506 exemption do not have to register their offerings of securities with the SEC or the Alabama Securities Commission, but they must file what is known as a “Form D” with the SEC and the ASC. Form D contains limited information about the securities being offered and the issuer offering those securities.

Borg said the EFD system initially will be limited to Form D filings for Regulation D, Rule 506 offerings, but added that NASAA expects the filing system will be expanded to include additional state securities registration and notice filing materials.

“By embracing technology, states are providing innovative capital formation solutions to benefit issuers and investors alike,” Borg said.

The EFD website offers a suite of tools to filers and regulators. The EFD system will be available 24 hours a day, seven days a week, unless the website is undergoing maintenance. In addition to the filing fees required by the states, there is a one-time \$150 system use fee for each offering making its filings through EFD. This one-time system fee covers initial, amendment and renewal filings made through EFD.

Borg also noted that the filing of a Form D with the SEC and with ASC does not mean that the SEC or any state securities regulator has approved the securities or passed any judgment on the soundness of the

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securities as an investment.

“If you have questions about a particular offering, you should contact the Alabama Securities Commission,” Borg said. Issuers or investors with questions about EFD can contact the ASC at 1-800-222-1253 or asc@asc.alabama.gov.

The ASC cautions potential investors to thoroughly scrutinize and research any investment opportunity or offer. Contact the ASC with inquiries concerning securities broker-dealers, agents, investment advisers, investment adviser representatives, financial planners, registration status of securities or debt management programs, to report suspected fraud or to obtain consumer information. The ASC provides free investor education and fraud prevention materials in print, on our website and through educational presentations upon request.

For further information contact Dan Lord, Education and Public Affairs Manager, 334-353-4858.

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