

THE CALIFORNIA CORPORATIONS COMMISSIONER HEREBY ADOPTS
THE FOLLOWING CHANGES IN THE REGULATIONS UNDER THE
CORPORATE SECURITIES LAW OF 1968
AS SET FORTH IN CHAPTER 3, TITLE 10,
CALIFORNIA CODE OF REGULATIONS
EFFECTIVE: JUNE 3, 2011

1. Section 260.004.1 is adopted to read:

§ 260.004.1. Associated Persons of an Issuer.

(a) The term “broker-dealer,” as defined in section 25004 of the Corporate Securities Law of 1968, does not include an associated person of an issuer who is deemed not to be a broker pursuant to Rule 3a4-1 under the Securities Exchange Act of 1934 as amended (17 C.F.R. 240.3a4-1) (“Rule 3a4-1”) (50 FR 27946, July 9, 1985). For purposes of this rule, (i) “associated person of an issuer” will have the same meaning as is given such term in Rule 3a4-1; provided, however, that an associated person will not be entitled to rely on this section 260.004.1 if the associated person has done any of the acts, satisfies any of the circumstances, or is subject to any order specified in section 25212, subdivisions (a) through (i) of the Corporate Securities Law of 1968. No presumption will arise that an associated person of an issuer is a “broker-dealer” solely by reason of his or her participation in the offer and sale of securities of the issuer if he or she does not meet the conditions specified in Rule 3a4-1.

Note: Authority cited: Sections 25204 and 25610, Corporations Code. Reference cited: Section 25004, Corporations Code.