

**18 NCAC 06A .1316 LEGENDS REQUIRED**

(a) The information required by this Rule .1316 shall be printed in capital letters in bold-face roman type at least as high as ten-point modern type, and at least two points leaded.

- (1) The following information shall appear on the cover page of any prospectus utilized for the purpose of offering and selling securities subject to registration by the provisions of the Securities Act of 1933, as amended, and subject to registration by the provisions of Chapter 78A of the North Carolina General Statutes:

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE;

- (2) The following information, to the extent appropriate, shall appear on the cover page of any document utilized in connection with the offer and sale of securities which are exempt from registration under the Securities Act of 1933, as amended, but subject to a filing requirement under Chapter 78A of the North Carolina General Statutes:

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE; and

- (3) If these securities are offered or sold pursuant to Section 4(2) of the Securities Act of 1933, as amended, or under the provisions of Regulation D, the following statement shall also appear on the cover page of any offering document utilized in connection with the offer and sale of the securities:

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

(b) Any prospectus which depicts the United States Securities and Exchange Commission's comparable legend pursuant to a registration statement filed under the Securities Act of 1933 or a letter of notification under Regulation A or a schedule under Regulation B of the General Rules and Regulations of the Securities Act of 1933 will be considered in compliance with Paragraph (a).

*History Note: Authority G.S. 78A-10(a); 78A-49(a); 78A-49(b);  
Eff. January 1, 1984;  
Amended Eff. September 1, 1990; October 1, 1988;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016.*