

**18 NCAC 06A .2016 DENIAL OR REVOCATION OF THE EXEMPTION**

The Administrator may by order, deny or revoke the Exemption pursuant to G.S. 78A-18(a) if:

- (1) the issuer fails to comply with the Exemption requirements after receiving a notice of deficiency;
- (2) the issuer fails to furnish requested information or evidence of compliance to the Administrator;
- (3) the issuer fails to keep or produce records pursuant to Rule .2060(d) of this Section;
- (4) the securities offering does not comply with the conditions set by G.S. 78A-17.1 and the rules of this Chapter;
- (5) the securities offering is part of a plan or scheme to avoid registration;
- (6) the structure of the securities offering is so complex as to be misleading to the investing public; or
- (7) the issuer has engaged or is about to engage in any act or practice that is a violation of the Securities Act or rules of this Chapter.

*History Note:* Authority G.S. 78A-17.1(a)(5); 78A-17.1(f); 78A-49(a); 78A-49(d); 78A-64; S.L. 2016-103, s.4.(a);  
Eff. April 1, 2017.