

1.1 Senator moves to amend S.F. No. 266 as follows:

1.2 Page 5, line 16, after "under" insert "a small corporate offering registration as set forth
1.3 in"

1.4 Page 5, after line 17, insert:

1.5 "Sec. 2. **UNAUDITED FINANCIAL STATEMENTS; RULEMAKING.**

1.6 The commissioner of commerce shall amend Minnesota Rules, part 2876.3021, subpart
1.7 2, to remove the prohibition on use of unaudited financial statements if the aggregate amount
1.8 of all previous sales of securities by the applicant, exclusive of debt financing with banks
1.9 and similar commercial lenders, exceeds \$1,000,000. The commissioner of commerce may
1.10 use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1,
1.11 clause (3), to amend the rule under this section, and Minnesota Statutes, section 14.386,
1.12 does not apply except as provided under Minnesota Statutes, section 14.388."