

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

| | |
|-------------------|----------------------------------|
| In the Matter of: |) |
| |) Docket No. 2016-7-08 |
| OTCQX Best Market |) |
| |) ORDER DESIGNATING |
| |) A RECOGNIZED SECURITIES |
| |) MANUAL |
| |) |
| |) |
| _____ |) |

Pursuant to §§ 30-14-202(2)(d) and 30-14-203 of the Uniform Securities Act (2004), Idaho Code § 30-14-101 *et seq.* (the Act), the Director finds that the following Order is appropriate and in the public interest, and is consistent with the purposes of the Act:

(1) Idaho Code § 30-14-202(2) exempts certain transactions from the securities registration requirements of the Act including a “nonissuer transaction by or through a broker-dealer registered, or exempt from registration under this chapter...in a security of a class that has been outstanding in the hands of the public for at least ninety (90) days” if certain specified disclosures have been made by the issuer and published in a nationally recognized securities manual. Idaho Code § 30-14-202(2) also imposes several other requirements on the issuer and the security to qualify for the exemption.

(2) Idaho Administrative Procedure Act Rule 12.01.08.056 identifies five approved nationally recognized securities manuals. Since the rule was approved, access to or ownership of some of the approved manuals has changed, and at least one new manual or its electronic equivalent is now available.

(3) By way of letter and attachments delivered via email on June 20, 2016, OTC Markets Group, Inc. represented that their publicly available electronic markets known as the OTCQX Best Market (OTCQX) requires that companies seeking to be included on the OTCQX disclose all of the information required by a nationally recognized securities manual under Idaho Code § 30-14-202(2)(d), and that such companies maintain compliance with the Idaho manual

exemption disclosure obligations as a condition of continued inclusion in the OTCQX marketplace.

(4) By way of email dated October 18, 2016, the OTC Markets Group, Inc. represented that they would notify the Director, in writing, if (a) the conditions imposed upon companies seeking access or continued access to the OTCQX electronic data platform are reduced in any material way, or (b) the OTCQX electronic data platform becomes no longer freely available to the general public to access the information required by Idaho Code § 30-14-202(2)(d).

NOW, THEREFORE, the Director of the Idaho Department of Finance as administrator of the State of Idaho Uniform Securities Act hereby orders, pursuant to Idaho Code § 30-14-202(2)(d), that the OTCQX Best Market is designated as a “nationally recognized securities manual or its electronic equivalent” for purposes of qualifying exempt transactions pursuant to Idaho Code § 30-14-202(2).

IT IS SO ORDERED this 8th day of November 2016.


GAVIN M. GEE, Director
Department of Finance, State of Idaho

