**Section 130.211 Definition of Acts Not Constituting an "Offer" of Securities under Section 5, 6, 7 or 8 of the Act**

a) Notwithstanding any other provision of the Act or this Part, the transmitting or sending of any announcement, offering circular, prospectus or other communication via the nonproprietary, public computer network (commonly known as the "Internet") shall not constitute an offer of securities under Section 5, 6 or 7 of the Act; provided that the communication indicates, directly or indirectly, that the securities are not being offered to the residents of this State, and an offer is not otherwise specifically directed to any person in this State by or on behalf of the issuer of the securities.

b) No sale of securities shall be made in this State until the securities have been registered under Section 5, 6 or 7 of the Act and a prospectus, offering circular or Form U-7 in its most current form has been delivered to each offeree prior to the sale, or the securities are exempt from registration under Section 3 of the Act or sold in transactional exemptions set forth under Section 4 of the Act (except subsection G, H or R of Section 4 of the Act, or subsection M of Section 4 of the Act if any commission or other remuneration is paid or given, directly or indirectly, on account of the sale or sales or issuance of the securities).

c) Nothwithstanding any other provision of the Act or this Part, salespersons or dealers who transmit or distribute information on available products and services via the Internet shall not constitute an offer of securities for purposes of Section 8 of the Act provided that:

1) The communication contains a legend clearly stating that the salesperson or dealer may only transact business in those states where he, she or it is registered or otherwise excluded or exempted from State registration;

2) The sender of the communication has taken reasonable measures to insure that any subsequent interaction between prospective customers or clients residing in states where the salesperson or dealer is not registered is limited so as to not otherwise require State salesperson, dealer or securities registration;

3) The communication does not involve the actual effecting of securities transactions or trades for compensation over the Internet but is limited to the dissemination of information on products or services; and

4) In the case of a salesperson, the affiliation with a dealer is prominently disclosed within the communication; the dealer retains the responsibility of reviewing and approving the content of the Internet communication; the dealer has authorized the distribution or dissemination of information on products and services via the Internet communication; and the salesperson is acting within the scope of his or her authority in distributing or disseminating the Internet communication.

(Source: Amended at 21 Ill. Reg. 15892, effective December 1, 1997)