**Section 130.250 Definition, For Certain Purposes, of the Terms "Commissions, Remuneration or Discounts", as Used in Section 4 and Section 5 of the Act**

a) The terms "commissions, remuneration or discounts" as used in Section 4 and Section 5 of the Act shall include:

1) all commissions or discounts paid or to be paid, directly or indirectly, by the issuer or an affiliate of the issuer to any person including but not limited to underwriters or dealers (acting either as agent or principal), in respect of the sale of the security to be offered, and

2) all cash, securities, contracts, or anything else of value paid, to be set aside, disposed of, or understandings with or for the benefit of any such underwriter or dealer, made in connection with the sale of such security.

b) Whenever the issuer, the parent of the issuer, or a controlling person in respect of the issuer has, at or about the date or proposed date of an offering or proposed offering of securities of such issuer, issued, sold, transferred, or assigned to an underwriter or underwriters of the securities, securities of the same class as those offered or proposed to be offered at a price which is less than the public offering price or proposed public offering price of the securities, the difference between the aggregate price at which the securities were acquired by the underwriters and the aggregate value of the securities at the public offering price or proposed public offering price shall be presumed to be commissions, remuneration or discounts paid in connection with the underwriting of the securities offered or proposed to be offered.

c) Whenever securities are sold to or acquired by an underwriter at a fixed or determinable price under an agreement whereby an offering of the securities is authorized to be made first through options, warrants or similar transferable rights to existing security holders of the issuer and whereby the underwriter agrees to distribute any portion of the offering not subscribed by said existing security holders, at a price or prices to be determined by the underwriter or in accordance with a formula, the difference between the aggregate proceeds of sale of the securities by the underwriter and the aggregate cost of the securities to the underwriter, constitutes commissions, remuneration or discounts paid in connection with the underwriting of the securities offered or proposed to be offered.

d) As used in this Section, the term "aggregate proceeds of sale of such securities" includes:

1) The gross proceeds of sale of securities remaining unsold at the end of a period during which the securities were initially offered to security holders, whether by warrants, options or similar transferable rights, acquired by the underwriter at the end of the period and sold by the underwriter during the term of existence of the underwriting and sales agreements pertaining to the securities;

2) The gross proceeds of sale of securities acquired by the underwriter by the purchase and exercise of any warrants or rights pertaining to the securities and sold by the underwriter either prior to or after the expiration date of the warrants or rights, or during the term of existence of the underwriting and sales agreements pertaining to the securities.

e) As used in this Section, the term "aggregate cost of the securities to the underwriter" includes any sums paid by the underwriter to the issuer as the purchase price or other cost of securities acquired pursuant to the exercise of any rights, but does not include transfer taxes, legal fees, registration fees, accountants' fees, printing expenses, overhead or any expenses incurred in connection with the acquisition and distribution of the securities offered or proposed to be offered.