

STATE OF NEBRASKA
Department of Banking & Finance

IN THE MATTER OF:)	
)	
Securities Manuals)	ORDER DESIGNATING
)	SECURITIES MANUALS
)	PURSUANT TO
)	SECTION 8-1111(2)(a)(iv)
)	OF THE SECURITIES
)	ACT OF NEBRASKA

THIS MATTER comes before the Nebraska Department of Banking and Finance (“Department”), by and through its Director, pursuant to its authority under the Securities Act of Nebraska, Neb. Rev. Stat. §§ 8-1101 to 8-1123 (Reissue 2012; Cum. Supp. 2014; Supp. 2015; LB 771, 2016) (“Act”).

1. Neb. Rev. Stat. § 8-1111(2)(a)(iv) provides that the Director may by rule and regulation or order designate nationally recognized securities manuals for purposes of the exemption contained in Section 8-1111(2)(a)(iv) of the Act (“the manual exemption”).

2. On July 1, 1985, the Department adopted Bureau of Securities Interpretative Opinion #8 (“IO #8”) pursuant to its authority under the Act. IO #8 was amended on April 1, 1986. IO #8 designated “those securities manuals published by Moody’s Investors Service, Inc., and Standard & Poor’s Corporation” as approved securities manuals for purposes of the manual exemption.

3. Standard & Poor’s Corporation ceased publishing securities manuals in May 2016.

4. Moody’s Investors Service, Inc. is now known as Mergent, Inc. (“Mergent”), and continues to publish securities manuals. Thus, manuals published by Mergent may continue to be relied upon for purposes of the manual exemption.

5. On August 22, 2016, the Department received a request from OTC Markets Group, Inc., to approve its OTCQX Best Market (“OTCQX”) and OTCQB Venture Markets (“OTCQB”) as securities manuals for purposes of the manual exemption.

6. The information about the issuers designated on the OTCQX and OTCQB is publicly available on the OTC Market Group website at www.otcmarkets.com which contains a description of the business and operations of each issuer designated on the OTCQX and OTCQB.

7. The disclosure made by each issuer on the OTCQX and OTCQB contains the names of such issuer’s executive officers and the names of such issuer’s directors, if any.

8. The disclosure made by each issuer on the OTCQX and OTCQB contain an audited balance sheet of such issuer as of a date within eighteen months before the date of the transaction.

9. The disclosure made by each issuer on the OTCQX and OTCQB contain an audited income statement for each of such issuer’s two immediately previous fiscal years or for the period of existence of the issuer, whichever is shorter.

10. The designation of the OTCQX and OTCQB as nationally recognized securities manuals is appropriate, in the public interest, and consistent with the purposes fairly intended by the policy and provisions of the Act.

11. The issuance of an Order designating all nationally recognized securities manuals approved in Nebraska, in lieu of IO #8, is appropriate, in the public interest, and consistent with the purposes fairly intended by the policy and provisions of the Act.

IT IS THEREFORE ORDERED as follows:

1. The OTCQX Best Market, OTCQB Venture Market, and the securities manuals published by Mergent, Inc. are hereby designated as approved manuals for purposes of the manual exemption, Section 8-1111(2)(a)(iv) of the Act.

2. The provisions of Bureau of Securities Interpretative Opinion #8 addressing the manual exemption are hereby rescinded.

3. This Order shall remain in effect until subsequently modified or vacated by further Order of the Director.

4. The effective date of this Order shall be the date of the Director's signature.

DATED this 22 day of September, 2016.



**STATE OF NEBRASKA
DEPARTMENT OF BANKING AND FINANCE**

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