DEPARTMENT OF BANKING & FINANCE

CHAPTER 26—UNEQUAL VOTING RIGHTS

001. GENERAL.

001.01 This Rule has been promulgated pursuant to authority delegated to the Director in Section B-1120(3) of the Securities Act of Nebraska.

001.02 The Director has determined that this Rule relating to public offerings of securities, that have less than equal voting rights, is consistent with investor protection and is in the public interest.

001.03 The Director may, on a case by case basis, and with prior written notice to the affected persons, require adherence to additional standards or policies, as deemed necessary in the public interest.

001.04 The definitions in 48 NAC 2 shall apply to the provisions of this Rule, unless otherwise specified.

002. CONDITIONS. The offer and sale of securities that have less than equal voting rights may be deemed to be inconsistent with investor protection and against public policy by the Director unless:

002.01 The securities are given preferential treatment as to dividends and liquidation or the less than equal voting rights are justified to the satisfaction of the Director; and

002.02 The terms of the voting rights are prominently disclosed on the cover page of the issuer's offering circular or prospectus.

003. WAIVER OF RULE. While applications not conforming to the standards contained herein shall be looked upon with disfavor, where good cause is shown, certain provisions of this Rule may be waived by the Director.

Effective Date: April 7, 1999