

**STATE OF NEW HAMPSHIRE
BUREAU OF SECURITIES REGULATION
INTERPRETIVE ORDER**

WHEREAS, the New Hampshire Bureau of Securities Regulation is charged with the administration of the New Hampshire Uniform Securities Act (the Act);

WHEREAS, Section 21 of the Act, delegates to the Secretary of State the administration of the Act;

WHEREAS, Section 21 of the Act, grants all powers specifically granted or reasonably implied in order to perform the substantive responsibilities imposed;

WHEREAS, Section 28 of the Act, grants the Secretary of State the authority to issue, amend, or rescind such orders as are reasonably necessary to carry out the provisions of this chapter;

WHEREAS, Section 17, II(g) exempts from registration "Any offer or sale to a bank savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit sharing trust, a venture capital company which operates a small business investment company under the Small Business Investment Act of 1958, as amended, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity."

WHEREAS, Section 2, III(d)(3) exempts from registration as a Broker-Dealer A person who has no place of business in this state if he effects transactions in this state exclusively with or through Banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit sharing trusts, or other financial institutions or institutional buyers, or to broker-dealers, whether the purchaser is acting for itself or in some fiduciary capacity;

WHEREAS, the Act does not define the term institutional buyer;

WHEREAS, the Bureau issued the No-Action Letter, in the matter of Collins/Bay Island Securities May 23, 2001 which defined institutional buyer as to persons specifically enumerated in Rule 144A of the Securities Act of 1933;

WHEREAS, finding it necessary and appropriate to the public interest and consistent with the purposes fairly intended by the policy and provisions of the New Hampshire Uniform Securities Act;

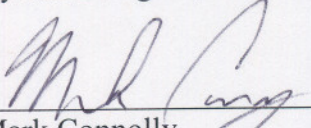
THEREFORE, it is hereby Ordered that:

1. The term "institutional buyer" shall be interpreted as an organization or person with net worth of more than twenty five million dollars.

2. Net worth shall be defined as the excess of assets over liabilities, as determined by generally accepted accounting principles;
3. Property not included as assets: prepaid expenses (except as to items properly classified as current assets under generally accepted accounting principles), deferred charges, goodwill, franchise rights, organizational expenses, patents, copyrights, marketing rights, unamortized debt discount and expense, all other assets of intangible nature; the principle residence of the investor in the case of a natural person or the principle place of residents of partners in the case of a partnership or entities of the like;
4. Also excluded shall be all home furnishings, automobile(s), and any other personal items not readily marketable in the case of an individual or members of a partnership; also excluded shall be all advances or loans to stockholders and officers in the case of a corporation; and advances or loans to partners in the case of a partnership.

WILLIAM GARDNER
SECRETARY OF STATE

By His Designee,



Mark Connolly
Director of Securities Regulation

Dated: August 2, 2004
Concord, New Hampshire