



Select Year: 2024

## The 2024 Florida Statutes (including 2025 Special Session C)

|                                                               |                             |                                     |
|---------------------------------------------------------------|-----------------------------|-------------------------------------|
| <a href="#">Title XXXIII</a>                                  | <a href="#">Chapter 517</a> | <a href="#">View Entire Chapter</a> |
| REGULATION OF TRADE, COMMERCE, INVESTMENTS, AND SOLICITATIONS | SECURITIES TRANSACTIONS     |                                     |

### **517.0612 Florida Invest Local Exemption.—**

- (1) This section may be cited as the “Florida Invest Local Exemption.”
- (2) The registration provisions of s. [517.07](#) do not apply to a securities transaction conducted in accordance with this section; however, such transaction is subject to s. [517.301](#).
- (3) The offer or sale of securities under this section must meet the requirements of the federal exemption for intrastate offerings in s. 3(a)(11) of the Securities Act of 1933, Securities and Exchange Commission Rule 147, or Securities and Exchange Commission Rule 147A, as amended.
- (4) The issuer must be a for-profit business entity registered with the Department of State which has its principal place of business in this state. The issuer may not be, before or as a result of the offering:
  - (a) An investment company as defined in the Investment Company Act of 1940, as amended;
  - (b) Subject to the reporting requirements of the Securities and Exchange Act of 1934, as amended;
  - (c) A business entity that has an undefined business operation, lacks a business plan, lacks a stated investment goal for the funds being raised, or plans to engage in a merger or an acquisition with an unspecified business entity; or
  - (d) Subject to a disqualification as provided in s. [517.0616](#).
- (5) The sum of all cash and other consideration received from all sales of the securities in reliance upon the exemption under this section may not exceed \$500,000, less the aggregate amount received for all sales of securities by the issuer within the 12 months before the first offer or sale made in reliance on this exemption.
- (6)(a) The issuer may not accept more than \$10,000 from any single purchaser unless any of the following apply:
  1. The issuer reasonably believes that the purchaser is an accredited investor.
  2. The purchaser is an officer, director, partner, or trustee, or an individual occupying a similar status or performing similar functions, of the issuer.
  3. The purchaser is an owner of 10 percent or more of the issuer’s outstanding equity.
  - (b) For purposes of this subsection, the following persons must be treated collectively as a single purchaser:
    1. Any spouse or child of the purchaser or any related family member who has the same primary residence as the purchaser.
    2. Any business entity of which the purchaser and any person related to the purchaser as provided in subparagraph 1. collectively own more than 50 percent of the equity interest.
- (7) The issuer may engage in general advertising and general solicitation of the offering. Any general advertising or other general announcement must state that the offer is limited and open only to residents of this state. Any oral or written statements in advertising or solicitation of the offer which contain a material misstatement, or which fail to disclose material information, are subject to enforcement under this chapter.
- (8) A purchaser must receive, at least 3 business days before any binding commitment to purchase or consideration paid, a disclosure statement that provides material information regarding the issuer, including, but not limited to, all of the following information:
  - (a) The issuer’s name, type of entity, and contact information.

- (b) The name and contact information of each director, officer, or other manager of the issuer.
- (c) A description of the issuer's business.
- (d) A description of the security being offered.
- (e) The total amount of the offering.
- (f) The intended use of proceeds from the sale of the securities.
- (g) The target offering amount.
- (h) A statement that if the target offering amount is not obtained in cash or in the value of other tangible consideration received on a date that is no more than 180 days after the commencement of the offering, the offering will be terminated, and any funds or other consideration received from purchasers must be promptly returned.
- (i) A statement that the security being offered is not registered under federal or state securities laws and that the securities are subject to the limitation on resale contained in Securities and Exchange Commission Rule 147 or Rule 147A.
- (j) The names and addresses of all persons who will be involved in the offer and sale of securities on behalf of the issuer.
- (k) The name of the bank or other depository institution into which investor funds will be deposited.
- (l) The following statement in boldface, conspicuous type:

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined that this disclosure statement is truthful or complete. Any representation to the contrary is a criminal offense.

(9) All funds received from investors must be deposited into a bank or depository institution authorized to do business in this state. The issuer may not withdraw any amount of the offering proceeds unless the target offering amount has been received.

(10) The issuer must file a notice of the offering with the office, in writing or in electronic form, in a format prescribed by commission rule, no less than 5 business days before the offering commences, along with the disclosure statement described in subsection (8). If there are any material changes to the information previously submitted, the issuer must, within 3 business days after such material change, file an amended notice.

(11) An individual, entity, or entity employee who acts as an agent for the issuer in the offer or sale of securities and is not registered as a dealer under this chapter may not do either of the following:

- (a) Receive compensation based upon the solicitation of purchases, sales, or offers to purchase the securities.
- (b) Take custody of investor funds or securities.

(12) Any sale made pursuant to the exemption created under this section is voidable by the purchaser within 3 days after the first tender of consideration is made by such purchaser to the issuer by notifying the issuer that the purchaser expressly voids the purchase. The purchaser's notice to the issuer must be sent by e-mail to the issuer's e-mail address set forth in the disclosure statement that is provided to a purchaser or the purchaser's representative or by hand delivery, courier service, or other method by which written proof of delivery to the issuer of the purchaser's election to rescind the purchase is evidenced.

**History.**—s. 5, ch. 2024-168.