

**§ 240.3a12-8**

such put, call, straddle, option or privilege represent an obligation equal to or exceeding \$250,000 principal amount.

(15 U.S.C. 78a et seq., and particularly secs. 3(a)(12), 15(a)(2) and 23(a) (15 U.S.C. 78c(a)(12), 78o(a)(2) and 78w(a)))

[49 FR 5073, Feb. 10, 1984]

**§ 240.3a12-8 Exemption for designated foreign securities for purposes of futures trading.**

(a) When used in this Rule, the following terms shall have the meaning indicated:

(1) The term *designated foreign government security* shall mean a security not registered under the Securities Act of 1933 nor the subject of any American depositary receipt so registered, and representing a debt obligation of the government of

- (i) The United Kingdom of Great Britain and Northern Ireland;
- (ii) Canada;
- (iii) Japan;
- (iv) The Commonwealth of Australia;
- (v) The Republic of France;
- (vi) New Zealand;
- (vii) The Republic of Austria;
- (viii) The Kingdom of Denmark;
- (ix) The Republic of Finland;
- (x) The Kingdom of the Netherlands;
- (xi) Switzerland;
- (xii) The Federal Republic of Germany;
- (xiii) The Republic of Ireland;
- (xiv) The Republic of Italy;
- (xv) The Kingdom of Spain;
- (xvi) The United Mexican States;
- (xvii) The Federative Republic of Brazil;
- (xviii) The Republic of Argentina;
- (xix) The Republic of Venezuela;
- (xx) The Kingdom of Belgium; or
- (xxi) The Kingdom of Sweden.

(2) The term *qualifying foreign futures contracts* shall mean any contracts for the purchase or sale of a designated foreign government security for future delivery, as "future delivery" is defined in 7 U.S.C. 2, provided such contracts require delivery outside the United States, any of its possessions or territories, and are traded on or through a board of trade, as defined at 7 U.S.C. 2.

(b) Any designated foreign government security shall, for purposes only of the offer, sale or confirmation of

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sale of qualifying foreign futures contracts, be exempted from all provisions of the Act which by their terms do not apply to an "exempted security" or "exempted securities."

(15 U.S.C. 78a et seq., and particularly secs. 3(a)(12), and 23(a) 15 U.S.C. 78c(a)(12), and 78w(a))

[49 FR 8599, Mar. 8, 1984, as amended at 51 FR 25998, July 18, 1986; 52 FR 8877, Mar. 20, 1987; 52 FR 42279, Nov. 4, 1987; 53 FR 43863, Oct. 31, 1988; 57 FR 1378, Jan. 14, 1992; 59 FR 54815, Nov. 2, 1994; 60 FR 62326, Dec. 6, 1995; 61 FR 10274, Mar. 13, 1996; 64 FR 10567, Mar. 5, 1999; 64 FR 29553, June 2, 1999]

**§ 240.3a12-9 Exemption of certain direct participation program securities from the arranging provisions of sections 7(c) and 11(d)(1).**

(a) Direct participation program securities sold on a basis whereby the purchase price is paid to the issuer in one or more mandatory deferred payments shall be deemed to be exempted securities for purposes of the arranging provisions of sections 7(c) and 11(d)(1) of the Act, provided that:

(1) The securities are registered under the Securities Act of 1933 or are sold or offered exclusively on an intrastate basis in reliance upon section 3(a)(11) of that Act;

(2) The mandatory deferred payments bear a reasonable relationship to the capital needs and program objectives described in a business development plan disclosed to investors in a registration statement filed with the Commission under the Securities Act of 1933 or, where no registration statement is required to be filed with the Commission, as part of a statement filed with the relevant state securities administrator;

(3) Not less than 50 percent of the purchase price of the direct participation program security is paid by the investor at the time of sale;

(4) The total purchase price of the direct participation program security is due within three years in specified property programs or two years in non-specified property programs. Such payment periods are to be measured from the earlier of the completion of the offering or one year following the effective date of the offering.

(b) For purposes of this rule: