

**191—50.88(502) Transactions with specified investors.** The administrator grants the exemption for transactions with specified investors to the following persons:

**50.88(1)** Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer.

**50.88(2)** Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of the purchase exceeds \$1 million.

**50.88(3)** Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

**50.88(4)** Any venture or seed capital company. For purposes of this subrule, a venture or seed capital company is a corporation, partnership or association that has been in existence for five years or whose net assets exceed \$250,000 and whose primary business is investing in developmental stage companies or "eligible small business companies" as that term is defined in the regulations of the Small Business Administration.

This rule is intended to implement Iowa Code section 502.202(13).