



Ohio Revised Code

Section 1707.055 Portal operators-prohibited conduct for non-dealer operators.

Effective: March 31, 2021

Legislation: House Bill 312 - 133rd General Assembly

No portal operator that is not also a licensed dealer shall do any of the following:

(A) Offer investment advice or recommendations, or solicit the purchase or sale of securities. For purposes of this division, a portal operator shall not be considered to be offering investment advice or recommendations merely because it selects, or may perform due diligence with respect to, issuers or offerings to be listed or merely because it provides general investor educational materials.

(B) Provide transaction-based compensation for securities sold under this chapter to employees, agents, or other persons unless the employees, agents, or other persons are licensed under this chapter and permitted to receive such compensation.

(C) Charge a fee to the issuer for an offering of securities on an OhioInvests portal unless the fee is one of the following:

(1) A fixed amount for each offering;

(2) A variable amount based on the length of time that the securities are offered on the portal;

(3) A combination of such fixed or variable amounts.

(D) Hold, manage, possess, or otherwise handle purchaser funds or securities, unless the portal operator is the issuer.

(E) No portal operator shall allow its officers, directors, or partners, or any person occupying similar status or performing similar function, to have a financial interest in an OhioInvests issuer using the services of the portal operator, or receive a financial interest in the OhioInvests issuer as compensation for services provided to, or for the benefit of, the OhioInvests issuer, in connection with the offer and sale of its securities.



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