

SB040\_L.001

## SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Business, Labor, & Technology.SB16-040 be amended as follows:

1 Amend printed bill, page 2, line 3, strike "(12.3)" and substitute "(12.3)  
2 and (12.4)".

3 Page 2, after line 11 insert:

4 "(12.4) "Permitted economic interest" means ~~any unsecured~~  
5 ~~convertible debt instrument, option agreement, warrant, or any other right~~  
6 ~~to obtain an ownership interest when the holder of such interest is a~~  
7 ~~natural person who is a lawful United States resident and whose right to~~  
8 ~~convert into an ownership interest is contingent on the holder qualifying~~  
9 ~~and obtaining a license as an owner under this article; or such other~~  
10 ~~agreements as may be permitted by rule of the state licensing authority A~~  
11 ~~NON-CONTROLLING DIRECT EQUITY INTEREST, A SECURED AGREEMENT,~~  
12 ~~WARRANT, OR ANY OTHER RIGHT TO BECOME AN OWNER THAT IS HELD BY~~  
13 ~~A PERSON OR ANY OTHER AGREEMENT AUTHORIZED BY RULE BY THE STATE~~  
14 ~~LICENSING AUTHORITY. EACH NATURAL PERSON HOLDING A PERMITTED~~  
15 ~~ECONOMIC INTEREST MUST BE A LAWFUL UNITED STATES RESIDENT AND~~  
16 ~~MUST BE ABLE TO QUALIFY AS AN OWNER, EXCEPT FOR THE RESIDENCY~~  
17 ~~REQUIREMENTS IN SECTION 12-43.3-307.5 AND EXCEPT THAT, WHEN A~~  
18 ~~PERMITTED ECONOMIC INTEREST IS OR IS HELD BY A PARTNERSHIP,~~  
19 ~~ASSOCIATION, COMPANY, CORPORATION, LIMITED LIABILITY COMPANY, OR~~  
20 ~~ORGANIZATION, EACH BENEFICIAL OWNER MUST BE A LAWFUL UNITED~~  
21 ~~STATES RESIDENT AND MUST BE ABLE TO QUALIFY AS AN OWNER, OTHER~~  
22 ~~THAN THE RESIDENCY REQUIREMENTS IN SECTION 12-43.3-307.5, UNDER~~  
23 ~~THIS ARTICLE."~~

24 Page 3, line 25, strike "officers and managers and" and substitute  
25 "officers and managers and".

26 Page 4, line 9, strike "(12)" and substitute "(12) and (12.4)".

27 Page 4, after line 18 insert:

28 "(12.4) "Permitted economic interest" means ~~any unsecured~~  
29 ~~convertible debt instrument, option agreement, warrant, or any other right~~  
30 ~~to obtain an ownership interest when the holder of such interest is a~~  
31 ~~natural person who is a lawful United States resident and whose right to~~  
32 ~~convert into an ownership interest is contingent on the holder qualifying~~



1 ~~and obtaining a license as an owner under this article or such other~~  
2 ~~agreements as may be permitted by rule by the state licensing authority A~~  
3 NON-CONTROLLING DIRECT EQUITY INTEREST, A SECURED AGREEMENT,  
4 WARRANT, OR ANY OTHER RIGHT TO BECOME AN OWNER THAT IS HELD BY  
5 A PERSON OR ANY OTHER AGREEMENT AUTHORIZED BY RULE BY THE STATE  
6 LICENSING AUTHORITY. EACH NATURAL PERSON HOLDING A PERMITTED  
7 ECONOMIC INTEREST MUST BE A LAWFUL UNITED STATES RESIDENT AND  
8 MUST BE ABLE TO QUALIFY AS AN OWNER, EXCEPT FOR THE RESIDENCY  
9 REQUIREMENTS IN SECTION 12-43.4-306.5 AND EXCEPT THAT, WHEN A  
10 PERMITTED ECONOMIC INTEREST IS OR IS HELD BY A PARTNERSHIP,  
11 ASSOCIATION, COMPANY, CORPORATION, LIMITED LIABILITY COMPANY, OR  
12 ORGANIZATION, EACH BENEFICIAL OWNER MUST BE A LAWFUL UNITED  
13 STATES RESIDENT AND MUST BE ABLE TO QUALIFY AS AN OWNER, OTHER  
14 THAN THE RESIDENCY REQUIREMENTS IN SECTION 12-43.4-306.5, UNDER  
15 THIS ARTICLE."

16 Page 5, line 27, strike "officers, managers, and" and substitute "officers;  
17 managers, and".

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