## APPLICABLE LAW AND DETERMINATION

1. Pursuant to Section 35-1-503(a) of the Act, in a civil action or administrative proceeding under the Act, a person claiming an exemption, exception, preemption, or exclusion has the burden to prove the applicability of the claim.
2. Pursuant to Section 35-1-602(a) (1) of the Act, the Securities Commissioner may conduct public or private investigations within or outside the State of South