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## **BlueSkyance™ Audit**

FCS's team of experienced securities professionals review and analyze a fund's portfolio through a comprehensive, certified audit process. This process includes:

- Review and update offering materials for types of investors, prior names, GP's/Managers/other Related Persons, offering thresholds, sales locations, commissions, broker/dealer information, and other relevant information to compare with filing and compliance practices. Often, FCS identifies fund offerings that aren't aligned with their offering materials.
- Review historical sales transactions, state and federal filings, and exemption reliance history to verify statutory and regulatory compliance. In many cases, FCS finds funds relying on old statutes or expired exemptions.
- Review and analyze any possible state filing triggers such as exceeding de minimis sales, number of sales transactions, number of investors, and other limitations to determine state filing obligations. Many times FCS analysis reveals funds are no longer entitled to an exemption because sales transactions have triggered a filing obligation, requiring a filing or the need to look for a piggyback self-executing exemption.
- Provide FCS's certified BlueSkyance™ Report customized based on your portfolio and includes:
  - Analysis of blue sky history with current exemption statutes by fund and state for all self-executing exemptions where no notice filing is required.
  - Federal and state filing analysis with applicable statutes and filing obligations where notice filings are required.
  - Comprehensive federal and state filing fees, along with penalties and fines, if any, for failures to file as well as ongoing compliance and maintenance requirements and fees.
  - FCS's experience-based issue analysis and jurisdictional notes and comments by state.