

August 22, 2013

Ladies and Gentlemen:

This comment is submitted on behalf of CMPLY, Inc., which provides solutions for measurement, management and compliance in social media. We have designed our tools to have applications across many marketing and corporate communications use cases and we hope that they will also be helpful to issuers and intermediaries offering securities under Regulation D.

CMP.LY has been on the forefront of social media disclosure issues since 2009 and we have expertise in addressing disclosure needs for leading brands across digital and social marketing channels. In particular, we have developed solutions to ensure that disclosure and disclaimer information is presented unavoidably within individual social media posts (without disrupting marketing content) and that those posts are monitored for compliance.

Our solution is built upon a series of layered notices. The system begins with a selection of hyperlinks and iconic badges that provide a short summary of a variety of commonly used disclosures/disclaimers written in plain language, which users may insert into their social media messages. Each of these hyperlinks and badges then link directly to complete disclosure language on a separate webpage. Importantly, we also provide an option whereby users can frame other webpages (such as news sites or company websites) with a disclosure, which can be used to ensure that the appropriate disclosure will appear prominently on screen when the reader clicks through to a designated page of content.

In addition, our solution is designed to monitor specified social media channels for required disclosures and disclaimers in the context of individual posts and to raise alerts when they are omitted. This functionality can be applied to an infinitely scalable number of participants (from a single Twitter feed, to all the Facebook, Twitter, LinkedIn, etc. channels of thousands of individuals) and may include individual user accounts (employees/representatives/independent contractors) as well as official corporate channels.

We are commenting today on proposed new Rule 509, which would require all issuers to include legends in any written general solicitation materials used in a Rule 506(c) offering, including additional disclosures for private funds if such materials include performance data.

We wholeheartedly support the Commission's desire to protect investors with this proposal. The inherent nature of 506(c) offerings is such that general solicitations will likely reach a wide audience of both accredited and non-accredited investors; therefore, it is of paramount importance that the appropriate disclosures and disclaimers be present not just in sales materials, but in the solicitations themselves.

We also recognize that these solicitations will likely be disseminated on a wide variety of media, including traditional outlets and especially new channels, such as Facebook, Twitter and other social media platforms. Indeed, in many cases, social media may be the most useful outlet for solicitation due to its cost effectiveness, the opportunity it provides for the messages to naturally

propagate via viral sharing and the fact that many startups are geared towards social media companies and/or individual users.

Given the casual nature of many social media communications, the ability for users to instantaneously share messages to secondary audiences unknown to the original author and the fact that the demographics of social media users ranges from the deeply financially savvy to the completely inexperienced and uneducated, we believe that Rule 509 will be especially important for social media solicitation.

In the past, we have seen respondents complain that regulatory requirements for disclosure and/or monitoring in social media were burdensome and impractical. The Commission and other agencies (notably the Federal Trade Commission) have responded with guidance on how to use hyperlinks and other solutions to provide disclosure in mobile and short form environments in other instances. We believe that similar solutions can be equally effective in this context and we view protests from other respondents with skepticism.

Leading brands and agencies have addressed similar disclosure needs in response to regulatory guidance from other agencies using our system. Others have developed their own solutions to comply with those regulations. Should you have an interest in learning more, we would be happy to demonstrate how disclosure and monitoring within the context of social media can be both effective and efficient.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read "James Graham", with a long horizontal flourish extending to the right.

James Graham  
COO & CFO