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U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

RE: Request for Public Comments on SEC Regulatory Initiatives under the JOBS Act Relating to Section 12(g) of the Securities Exchange Act of 1934, as amended by JOBS Act Title III - Crowdfunding

To the commission:

Thank you for allowing the community to provide comments unto the SEC on the proposed framework of rules surrounding the implementation of Title III of the JOBS Act of 2012. Allow me a moment to introduce myself and the platform that I speak on behalf.

My name is Bryan Healey, and I am the CEO of Joinvestor, an internet platform for connecting entrepreneurs, investors, and talented individuals in order to help small businesses grow and succeed. Part of this effort is in connecting accredited (and when allowed, non-accredited) investors with businesses seeking financing at their earliest stages. One of the principle purposes of the JOBS Act, as you know, was to open the door to this kind of collaboration and to expand the options of capital access in the small business community.

I would like to address a number of the requests for comment (or parts of such requests) as posed in document 33-9470 (the numbering is consistent with that put forth in the document):

1. We believe that the $1 million limit should not include fees and expenses associated with the act of fundraising. The motivation behind the enactment of such a limitation (protecting investors from potentially unsophisticated and unacceptably risky ventures) should not foster an environment that encourages businesses to over- or under-raise simply to account for the impact of these fees on their annual limit. However, to prevent intermediaries from taking advantage of such an arragement, we support limits on the total commission that registered funding portals are able to require from fundraising businesses.

7. We believe that the threshold should be calculated using household income or joint net worth. The purposes of such a limitation are to protect unsophisticated investors from any potentially unmanageable losses; under this consideration, household wealth will have an impact on the ability to absorb any such losses incurred in ways that may be different than simply individual income.

8. We strongly agree with the approach taken. An intermediary should be capable of shouldering the burden of enforcing annual limits with respect to the issuer.

9. We believe that annual investment limit calculations should not be applied to accredited investors except as related to the total limit the issuer is allowed to accept (currently set as $1 million per year). Since accredited investors are currently considered capable of making sophisticated investment decisions, that privilege should carry to all forms of investment activity, including crowdfunding.

11. To protect investor interests, we believe that there should be a minimum threshold for calculating annual investment limits. We believe that the minimum threshold for consideration should be calculated in accordance with the average median wage, adjusted with inflation, which is current $16.30 per hour, or $33,904 per year for full-time employment. Such a limit should be to protect unsophisticated investors from risking potentially unmanageable losses.

12. We strongly agree with the approach taken. The burden of communication between intermediaries would be substantial if multiple offerings were allowed, and it would also create a great deal of investor confusion. However, we also believe that once an offering has concluded, the issuer should be able to conduct future offerings at a different intermediary.

13. We believe that crowdfunding campaigns should only be conducted via internet-enabled services. An important component to the viability of the exemption as written is the ability for the investor to quickly and easily interact with members of the participating crowd in order to collaboratively vet the offering, and there is no known medium outside the internet that is capable of facilitating sufficiently timely interaction at requisite volume.

15. Intermediaries should be allowed to restrict access to their platform so long as the goal of such restriction is protection of investor and business interests. Competitive practices will inevitably generate options that have open and unrestricted registration methods, and issuers can opt for intermediaries that comply with their requirements.

17. If an issuer is not compliant with their annual reporting requirements, then we believe that they should be ineligible to conduct any future crowdfunding offerings until they have fulfilled their reporting obligations.

19. Crowdfunding will inevitably appeal to earliest-stage ventures that have yet to prove their

viability through market participation, and we believe that this is one of the primary strengths of the exemption. Investors who choose to participate in a crowdfunding campaign must be educated on the potential risks associated with such an offering, and issuers must be honest and faithful in their solicitation to the investor and in their dealings with the intermediary. We believe that the proposed rules are sufficient to protect investors from unacceptably risky ventures, and have provided the intermediary and regulatory bodies with the authority to act in defense of the investor when appropriate.

25. While we do support the required disclosure of business experience, we also believe that three years is sufficient.

26. We believe the proposed rules are appropriate.

32. It must be understood that business requirements, especially in early-stage ventures, some of whom may yet to have an operational existence, will change over time. Proceeds may need to be used differently from any original expectations; crowdfunding regulations should not become a burden on the efforts of a business to seek profitability. However, if a business is undergoing any substantial changes to the fundamental operating premise that funds were raised against, investors should be properly informed.

39. We believe that issuers should be capable of identifying their chosen intermediary; however, we also believe that the intermediary, at the approval of the issuer, should be capable of notifying regulators of the status of the issuer on behalf of the issuer.

45. We believe that it is appropriate to require the disclosure of any prior exempt offerings conducted to potential investors. An investor should be informed of any relevant financial conditions that may impact company viability so that they are able to make an informed decision about the risk level of the venture prior to investing.

47. We believe that verifying the financial health of the issuer will be important to protecting investor interests; however, we also believe that an intermediary should be capable of verifying the financial health of the issuer for an investor through a private background and credit checks conducted by the intermediary or an approved third-party provider.

51. While proper steps must be taken to ensure investor protection, it must also be understood that many ventures raising capital through crowdfunding in their earliest stages of formation may be unable to secure the services of a qualified accountant or firm to create GAAP compliant financial statements. We believe that exempting issuers that have existed for less than 12 months is appropriate; furthermore, we believe that while issuers older than 12 months should be required to disclose their financial position, we would prefer that the reporting requirements be loosened to account for founder-generated documents produced in good faith.

55. We believe that one year of financial statements is sufficient. Issuers may volunteer

additional material as a means of promoting their offering.

72. We believe that setting a standard of update in actual terms would be preferable (such as weekly, or biweekly, or monthly) to avoid confusion.

73. We believe that issuers should be allowed to consolidate multiple progress updates into one update for any given 5-day period, as start-up businesses will often undergo rapid change as a means of securing profitability and continuous growth.

77. We believe that any amendments to an offering should be properly communicated to all investors. We also believe that an intermediary should be allowed to fulfill the communication requirements through services offered by the intermediary.

78. Any change in the final security price should constitute an amendment to the offering.

82. We believe that electronic offerings should be allowed to continue the mandatory communication through electronic means, and that the intermediary should be allowed to act as a vehicle for required communication between issuer and investor.

88. As with any public offering, we believe that issuers should be required to report ongoing progress to investors with exemption in order to protect investor interests. We also believe that the intermediary should be an allowed vehicle for communicating that progress to investors.

96. We believe that the intermediary should be allowed to act as a referral to potential investors in the service of the offering. The deliverance and education of the investment crowd will be a central component to the success of the exemption.

98. We believe this definition is appropriate.

99. We believe that no such restriction should be placed on advertising.

102. We believe that communication for the purposes of investment solicitation or education should always be conducted through the selected intermediary. This will keep the message consistent and reduce investor confusion.

107. Any promotion paid for by an issuer should be either conducted through the intermediary or with the intermediary having full knowledge of the arrangement.

109. The method for handling oversubscribed investments should be impartial, and rely on either a first-come, first-served basis, or algorithmic random selection.

110. We strongly believe that the oversubscription amount should be restrained to no more than 10% of the original target offering to protect investor and issuer interests.

111. We believe that commitments should not exceed the $1 million limitation.

112. We believe that the price should be fixed at the commencement of an offering to protect the interests of potentially unsophisticated investors.

113. We believe that the type of securities offered should not be limited.

114. While we believe that a combination security and non-security offering is unlikely, it should not be a factor in determining eligibility of the issuer to conduct an offering.

118. We strongly believe that FINRA is an excellent choice for intermediary registration, and that only a single registration entity should be allowed in order to prevent investor confusion.

119. If a second registration association is approved, we believe that registration should only be required at one entity. However, as mentioned in response to request for comment #118, we believe that only a single registration association be allowed to prevent investor confusion.

120. We strongly believe that there should be a 6-12 month grace period at the conclusion of the commenting period in which intermediaries are allowed to operate without registration while the membership process is properly crafted and vetted.

122. We believe that intermediaries should not be allowed to accept securities as payment for services. A commission based on a percentage of the funds raised is sufficient compensation.

124. Given the potential conflict of interest, we do not believe that intermediaries should be able to accept securities as compensation for services rendered.

125. We believe that the definition as stated is sufficient.

128. We agree that requiring a third-party transfer agent is an unnecessary expense for crowdfunding offerings. We would support rules allowing the intermediary to act on behalf of the issuer as a transfer agent under appropriate conditions.

131. We agree that issuers should be subject to proper checks by the intermediary to ensure that the issuer is legally capable of conducting an offering and appropriate or consistent with the requirements needed for the intermediary to host.

132. We do not believe that background checks must be made public unless the validity of those checks are called into question by a regulatory or legal authority.

137. Intermediaries should report issuers who fail to meet their standards for participation as a preventative measure against fraud and abuse, and to assist other intermediaries in excluding

those already disqualified at expense by another intermediary.

143. While we do not believe it to be a necessity, it might be beneficial for the commission to propose content for educational purposes for intermediary and investor use.

145. We believe that a review of educational material is not necessary unless the veracity and depth of that material is called into question. The overhead of such a review process would be too cumbersome if required for every intermediary applicant.

150. We believe that compensation disclosure should be required, as investors may need this information in order to make an informed investment decision (especially if compensation is taken out of proceeds from a successful offering).

159. We believe this approach is appropriate.

162. We believe that acknowledging and agreeing to the inherent risk of crowdfunding is an important component of the investor commitment process, both for the protection of the intermediary and for the protection of the investor.

165. Any material examples provided by the commission will be helpful to both the investor and to the intermediary.

171. Notifications are crucial to preventing fraud, identity theft, and other serious investor concerns and should be simple for any intermediary to manage. We believe that the proposed requirements as put forth are ideal.

172. We believe that an investor should be notified when a campaign is near completion, and when a campaign has been closed, whether it be successful or unsuccessful.

173. We believe the custody requirements, as outlined, are appropriate.

174. We believe that the campaign target should represent the minimum to avoid investor confusion. We also believe that oversubscription should be allowed, and the company may choose to set their own minimum and maximum range through these conditions.

175. We believe that fixed deadlines should be set to protect investor and issuer interests. One week (7 days) should be sufficient to disburse collected funds.

177. We encourage the commission to consider non-bank custodians, such as internet services that specialize in escrow and payment transfer.

178. As funding portals will not be monetary custodians, we believe that no net capital requirement should be instituted.

179. We strongly encourage the commission to prohibit credit cards as a form of payment for securities in a crowdfunding campaign to protect investor, issuer, and intermediary interests.

180. We agree with required notification surrounding the details of the security offered.

182. We agree with the commission in principle regarding the reason and necessity for the ability to cancel a commitment. However, we also believe that the lock-in date should be fourteen days prior to the closing date to prevent any misbehavior surrounding the approach of a target, or the limit of oversubscription, too close to the close of the round. Proper communication with committed investors should make this a manageable condition.

183. As long as the investor is properly notified of the material change and is given ample opportunity to rethink their commitment, the onus should be on the investor to reconsider their commitment in light of the changes.

184. In the event of a material change, we believe that the only requirement should be the prompt disclosure of that change to all committed investors with ample time to reconsider the commitment. We recommend no changes within twenty-one (21) days of the close date.

187. We believe such compensation should be allowed under extremely limited circumstances, as promotion will be a central issue to these campaigns.

189. We believe the registration requirements are sufficient.

190. We believe that further restrictions would be inappropriate and will be unable to adapt to changing conditions of the industry, including potential partnerships with businesses able to legally fulfill certain aspects of funding portal operation.

191. We believe permitting multiple websites under one registration is important to properly segmenting the market and informing investors.

192. We believe the proposed registration process is appropriate.

200. As funding portals will not be monetary custodians, we believe the fidelity bond may be unnecessary. However, as a preventative measure against misbehaving portals and as a protection against settlements, we concede that such a bond may be necessary to protect investor and issuer interests.

201. We believe that the proposed bond limit is sufficient.

205. We believe the nonresident funding portal is properly defined.

209. We believe that a nonresident funding portal must have a resident legal representative to handle any matters between issuers and investors, and the portal.

212. We believe the exemption is appropriate, and allows proper function as an intermediary while still maintaining proper provisions for protecting investor interests.

213. Ongoing compliance should be necessary for maintaining the exemption.

216. We believe the provided guidelines are appropriate for funding portals.

217. We would like to see conditions set forth for funding portals offering advisory services to investors, either directly or through a third-party vendor, so long as impartiality is maintained. Many investors participating in crowdfunding will be unsophisticated, and portals should be allowed to assist investors when presented with questions capable of being answered with impartiality, or be able to direct investors to an advisory partner.

218. As mentioned, we believe some provision should manage an impartial method for delivering investment advice, either directly or through a third-party, because of the unsophisticated nature of the typical investor in a crowdfunding offering.

219. We believe that funding portals should be allowed to limit issuers on their platform.

221. As with any high-technology business, the algorithms that determine high-value offerings should not be forcibly disclosed so long as the portal is not accepting payments from issuers.

222. The funding portal should not be obligated to post relevant news, but issuers should be required to disclose such information to their committed investors.

230. Funding portals should be allowed to act on behalf of investor interests by rating issuers, providing adequate due diligence and founder details to potentials investors. Additionally, funding portals should be allowed to revoke issuers that do not comply with requirements set by the portal above and beyond the basic regulation requirements.

232. To protect investor and issuer interests, we believe that all procedural changes should be disclosed within 30 days and publicly announced.

241. We agree with the commission on required record keeping, and would even suggest lengthening the required retention period to 10 years.

242. Under the expectation that crowdfunding portals will be online operations and will almost certainly retain records through digital methods, the burden of collection should be minimal.

243. We believe the safe harbor provision, as outlined, is appropriate and will not have a

significant negative impact on investor interests.

244. As the breadth of potential deviation is significant, we believe it would be unreasonable to expect the commission to properly define “insignificant deviation,” and the commission should retain the privilege of determining through inquiry whether a deviation will qualify in good faith as insignificant and within the bounds of the safe harbor provision.

246. We believe the resale requirements are appropriate.

247. We believe the conditions for resale to an accredited investor are appropriate.

251. We believe that such securities should be permanently exempt.

254. We agree that issuers who fail to properly comply with reporting requirements, causing harm to minority investor interests, should lose their exemption.

262. We believe the look-back periods are appropriate to protect investor and issuer interests.

273. If the commission, at its discretion, determines and can defend that a disqualification event should not disqualify, then we believe that should take precedence over the event.

276. We agree with the provision as written.

282. Intermediaries should be allowed to screen all participants and ensure that they comply with commission requirements for participation.

Thank you very much for your time and consideration! If there are any questions regarding our comments or operational philosophy, we are happy to offer to the commission our time and services as it deliberates the future of Title III in the coming year.

Sincerely,

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