

Johnson, Robert

I fear that the cost to acquire the funds will make it economically unfeasible

Thompson, Sherry

As a nonprofit, I don't think this will have a lot of impact on my business. However, I am interested in what is happening in this area since it is so very new.

Arrieta, Noguera

I think that it would be necessary to clarify the cases about foreign companies looking for funding through crowdfunding and foreigners wanting to become crowdfunding investors

Joseph, John

I am most concerned about the audit's cost. I have heard will will be required and the cost will be a significant % of the amount funded.

Hill, Harold

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Sousa, Al

The rules should be very transparent as to protect the investor and the IP of the business. Thanks

Erickson, Kim

The cost of providing an audited tax return, as opposed to just a certification that it was the tax return filed with the IRS, may be prohibitively expensive if you're only raising a small amount of equity, i.e. < \$20,000.

Fogarty, BM

The SEC should not get too heavy handed with regulations! It is tough enough for small businesses to get funding or to launch neighborhood ideas! The more government gets involved the more difficult things become. I understand the need for protection but going overboard is just as bad!

Fromuth, August

my primary concern is the prolonged process of bringing the regs to market in the aftermath of bill passage. European countries are far ahead of the US in this undertaking and the delays severely retard what could be a vigorous job creation engine for the economy.

Krueger, Adam

I am a CPA that helps small businesses. I look forward to providing advice on this topic to clients looking for resources.

Thomas, Brice

Please encourage Crowdfunding sites to allow startups who are pre-prototype or pre-proof-of-concept to participate. Accredited Investors and Professional Money want to see a working prototype, or at least a demonstration of proof-of-concept with computer simulation/modeling. Both cost money. Entrepreneurs are seeking funding because they don't have money. SBIR/STTR fills this funding void, but it would be great if the Crowdfunding community would as well. Greater risk, but potentially greater returns. Give good ideas a chance.

McDuffie, Yvonne

My concern with SEC is, will there be any information given regarding the rules and procedure requirements by SEC, and any other funding through the program(s)?

Sweeney, Kara

I work with many startups on equity and debt financing. I am still getting my arms around the proposed rules, but I think they need to fine-tune the financial reporting requirements. Many startups do not have the resources to provide audited financials and/or they don't have the operating history. Additionally, I am not sure that founders will want to provide their personal tax returns. Many start ups are not looking to raise \$1,000,000, and so the financial reporting requirements may make crowdfunding too costly for startups. (no different than under the current rules). Thank you for this presentation!

Vontz, Doug

Though I had never heard of crowdfunding, it is exactly what I have been imagining doing locally.

McCarty, William

The SEC is moving too slowly. Since the banks have not been willing to make loans unless the business and management have perfect credit and significant liquidity and the recession has been going on since 2007, small business and entrepreneurs have been dying for sources of potential cash infusion. We can continue to expect the SEC and the federal government to move too slow in this area excusing any delay on the overriding interest to protect investors. Thank goodness in Georgia there is the Invest Georgia Exemption and we have seen Georgia small businesses start to take advantage of this restrictive state securities exemption.

Roberts, Douglas

I think that crowd funding would definitely give me an advantage in getting my business off to a successful start. I also think that the guidelines that are being put in place will help in the long run. I intend to use crowd funding at some point in conjunction with internet retail business.

Horwitz, Alan

It seems the SEC needs to clarify whether the \$1.0 mil limitation is only for separate companies (or for affiliated companies if that is the case). I put together separate LLC companies to invest in commercial real estate which is a hard asset; and, accordingly, each deal is in a separate company and I believe there should not be a gross capital raising limitation but rather a limit per company. Also, since each company has no operations prior to acquisition, I believe the audit requirements are not meaningful. Thanks,

Wells, Cyndi

As a small business owner, I do a ton of paperwork, for both my state and the federal government. Every minute I spend doing regulatory work is a minute lost to activities that would make my business more profitable and result in better lives for my employees. Whatever rules the SEC decides upon in the end, please make sure they are streamlined and easily understood for the small business owner (without a law degree).

Campbell, Gail

The limits placed on equity contributions according to net worth/income appear to run smack into the reasoning behind the Citizens United finding. What bases are used to support such limitations? Those limitations should be removed. In lieu, more audits of where the money went and what it was spent for should be emplaced. Companies should have transparency, but protecting equity investors should not be instituted by limiting investments. I feel those limitations are intrusive to the marketplace. They effectively say, "You can do this but only to X degree depending on your income/net worth". I believe this tack actually will stifle investment and growth of small businesses.

Rolland, Beatrice

TO SEC: As a CPA, I am glad that the SEC is including Crowdfunding under the 1933 Act. Consequently, one can assume that reporting requirements of public companies to the SEC on a quarterly basis would also be required for these business? Or are you considering asking for reporting twice a year, with one being with the audited financial statements? If the latter decision is adopted, what other requirements would you impose on these companies to ensure that investors are regularly kept informed, in addition to the customary news received from management?

Hahnen, Kevin

At first blush, I think equity crowdfunding will not be beneficial to the start-up community due to these increased regulations (proposed). I will be attending the local SBA workshops on this issue and your other offerings. With start-up equity crowdfunding I would like to learn how these multiple investors will be handled. VCs and Angel groups are familiar with equity funding and usually have an experienced single point of contact. I can envision an entrepreneur spending more time with inexperienced "mini investors" rather than on product development. Will SBA offer some type of "contract" example to protect the entrepreneur? Thank you. This was a great presentation.

Rentz, Philip

As an investor personally, and a commercial lender professionally, I think that it would be important for prospective investors to know the credit history of the businesses and business owners. Just as audited financial statements will be required, some form of credit check that would include payment history and derogatory credit information such as charge-offs, collection items, liens or Bankruptcies should be available to the investors.

Huber, Raymond

The proposed rules are a safe guard to protect the small business.

Haber, Marcia

1. I think it would be essential to include clear ethical guidelines and examples of possible issues that are likely to surface in equity funding relationships on the internet. The EEOC website has a helpful format for educating individuals to better understand the common definition of terms/vocabulary and how to apply the rules especially when dealing with ethical issues and the gray areas.
2. How about providing clear methods/resources for conflict resolution and mediation as options to quickly and fairly resolve many issues rather than forcing people into arbitration agreements? People have different interpretations and expectations. It's human nature. The platforms can be required to provide a conflict resolution process such as EBay. Let's have the structures and practices for resolving issues constructively through mediation, Ombuds, conflict management training and coaching...

Azari, Barbara

I believe that every day we have more "rules, regulations, and laws" thrown at us and they should stop and think for a change. Now, there seems to be more unnecessary "red tape" to even crowdfunding. Knowing how California is struggling in general, why make it more difficult? They have even appointed more people in government in California to help people find jobs - amazing! Creating jobs and small businesses (in the private sector) are all related and also making "high minimum wages" for doing a beginners job is ridiculous. Everything impacts small business in one way or another! They need to stop it!

Matthews, Ronald

My company is in startup mode, currently building a good foundation of content. It will be expensive to produce the motion picture productions needed. The \$1 Million limit on startups in the first 12 months seems a small amount as a cap to the crowdfunding. Is this limit likely to increase during the review over the next several months?

Campbell, Gail

The limitations on how much a person can donate seem to fly in the face of the Citizens United decision. What legitimate, compelling basis does putting limitations on investment have? In this equation, what ought to be beefed up instead is the requirement for before-investment disclosure, of the firm's financials, its 3rd party audit, verification that the funds went to where they were supposed to go, etc. I realize that the SEC wants to protect investors but these limitations will, I'm afraid, stifle small business development.

Carron, James

I see this levels the playing field for investors and grants small investors the opportunity to participate in investment opportunities that in the past were reserved for the very wealthy. As a result small investors may be able to get very large returns on relatively small investments in early stage companies of small innovative start-ups. The risk will be inherently high, but no worse than investing in the stock market today, as the number of investments achieving great returns in the current market is still stacked against the small investor. As the actual amount of usable investment intelligence for the small investor is very limited, with the amount of individuals selling investor information today are either pyramid like in nature or fraudulent. Even the most reputable investor resources can still be duped by fraudulent financial reporting practices by public companies.