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February 3, 2014

Elizabeth M. Murphy
Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

RE: File No. File No. S7-09-13; Ongoing Reporting Requirements, Section II.B.2; of Release 33-9470

Dear Ms. Murphy:

I am writing you on behalf of the Crowdfund Intermediary Regulatory Advocates ("CFIRA"), a crowdfunding trade organization that lobbies and advocates for regulations that will support the crowdfunding industry in connection with Title II and Title III of the Jumpstart Our Business Startups Act of 2012. CFIRA's role is to protect the interests of investors and issuers, and advance the common business interest of intermediaries and third party service providers in the securities industry. Our members are comprised of intermediaries (broker-dealers and funding portals), issuers, investors, and third party service providers who are engaged in, or who intend to engage in, business under Titles II and III.

You have requested input from interested parties to assist you in answering questions that arose during your preparation of the proposed Title III rules. Specifically, this letter will address your questions numbers 83, 128, and 255 regarding the proposed Title III rules.

Re: Question 83:

After completion of the offering, should we require that investors be represented by a nominee or other party who could help to facilitate physical delivery of the annual report to investors? Why or why not? Should the nominee or other party have other responsibilities, such as speaking on behalf of and representing the interests of investors (e.g., when the issuer wishes to take certain corporate actions that could impact or dilute the rights of investors, distribution of dividend payments, etc.)? If a nominee or other party should be required, what structure should this arrangement take and why?

Historically, and in the present, issuers have always had the ability to choose their own method of delivery of their annual report to record shareholders. The choices have included drop shipping from printers, mailing by the issuers, mail service provider deliveries, and transfer agent deliveries, and any mix thereof. Because this activity comes at the expense of the issuer, it is important that issuers have the ability to make their own decision.

In the case of Section 12(g) reporting companies, entities such as Broadridge Financial Services, acting as an intermediary, after receiving the issuers annual meeting materials via one of the above methods, have delivered the vast majority of annual meeting materials to street holders. Additionally, and importantly, effective January 1, 2009, the Commission promulgated the "E-Proxy" rules, which require annual

meeting materials, including the annual report, to be available to shareholders on the internet.

The smallest public issuers with very few shareholders, to the largest corporations with scores of thousands of shareholders, have availed themselves, and continue to avail themselves, of these methods of annual report delivery. Since it is anticipated that the vast majority of crowd funded issuers will not be Section 12(g) reporting companies, and will not, at least for the first year subsequent to the closing of their offerings, have trading shares, these companies will have a very static and easy to maintain shareholder list. Therefore, they may avail themselves of any of the above long-established methods for annual report delivery, including placing their materials on the Internet for their shareholders to access.

Regarding a "nominee", or the need for a "nominee", of unknown relationship to investors, that might be created for the purpose of "speaking on behalf of and representing the interests of investors" regarding corporate actions that may dilute shareholders' interests, we cannot envision any rationale or method for the creation and monitoring of such an entity. There is no like representative or nominee "representing the interests of investors" for any other category of issuers. The closest comparison would be Institutional Shareholder Services, Inc. ("ISS"), which provides only voting advice to institutional investors in large Section 12(g) issuers, but ISS is neither a nominee for, nor a representative of, investors, and its advice given or positions taken have, naturally, not been without controversy.

Clearly, all investors' interests are not always aligned. While some investors may want to receive a dividend, others may not. While some investors may approve of an acquisition by an issuer, others may not. While some investors may approve of a merger or a sale of the company, others may not. And there are many other corporate actions an issuer may propose that will find the same diversity of support among its investors. This is precisely why shareholder approval, in the form of a shareholder vote, is required for major corporate activities that, for instance, would require changing the authorized shares of an issuer. Boards of Directors, who have a legal duty to act in the best interests of shareholders, generally must approve other corporate actions that may dilute investors' holdings.

We ask how such a nominee would be established. What would its structure be? Who would decide what is right for all investors? How would it gather and consider all opinions and how could it possibly speak for all investors? Most important, why should such an entity be created? Again, no other category of issuers with public shareholders has such a shareholder's representative or nominee.

If the intent of the JOBS Act is to democratize the ability of individuals to invest in and share in the creation and growth of new and small businesses, we do not see the purpose in creating some kind of entity that would purport to "represent" investors, nor do we see how it would be maintained and policed. We believe key elements of the democratization of the capital markets will be the transparency that will be required of issuers and the ability of each and every investor to make up their own minds regarding proposed corporate actions. We do not believe in the creation of some kind of paternalistic nominee to "represent" shareholders; rather we believe that that would be a step away from the democratization of the capital markets.

Re: Question 128:

We are not proposing to require that an issuer relying on Section 4(a)(6) engage a transfer agent due, in part, to the potential costs we believe such a requirement would impose on issuers. What would be the potential benefits and costs associated with having a regulated transfer agent for small issuers? Are there other less costly means by which an issuer could rely on a qualified third party to assist with the recordkeeping related to its securities?

Currently, historically, and even since the promulgation of the registered transfer agent rules by the SEC, (Section 17A(c) of the 1934 Act), only "qualifying securities" must be handled by a registered transfer

agent (a "qualifying security" is defined as any security registered under Section 12 of the Securities Exchange Act of 1934). Thousands of small, publicly traded companies, which companies are not required to file under Section 12, are not required to, nor do they, use registered transfer agents to keep their shareholder and securities transactions records.

While we strongly support a requirement that funding portals be assured that their client issuers have shareholder and securities recordkeeping capabilities in place, and, even more important, the underlying requirement that the issuers do so, we see no reason why crowd funded issuers that are not Section 12(g) reporting companies be placed in a special, currently non-existent category of companies having to engage registered transfer agents. The Commission has long since realized that many small companies do not have either the wherewithal or the need to hire registered transfer agents to perform a function with very little activity.

For decades, at least, there has been software that is available at a nominal charge to small companies to keep track of their securities transactions. The Division of Trading and Markets, which regulates the trading markets and transfer agents is well aware of, and does not object to non-12(g) companies keeping their own records, using software designed for that purpose, or using non-registered transfer agent third parties to perform those functions for them.

We do not see why it would be fair to burden crowd funded issuers with regulations and costs that are not applied to other small issuers, in contrast to the long established policy of the SEC which purposely and specifically excludes non-12(g) reporting companies from using registered transfer agents. If anything, crowd funded issuers will have very uncomplicated shareholder and securities transaction records for at least one year from the closing date of their offerings because of the one year restriction on trading, in comparison to the trading volume of unrestricted shares in the thousands of public companies that exist today that are not required to use registered transfer agents.

We believe that because this is an issue that has long since been decided by the Commission, there is no reason to overturn a policy which has been in place and working since the establishment of the Commission, and through the creation and existence of the Commission's transfer agent rules to today.

Re: Question 255:

How would issuers be able to distinguish securities issued in a transaction exempt under Section 4(a)(6) from securities issued in other offerings? What would be the costs associated with making such a determination?

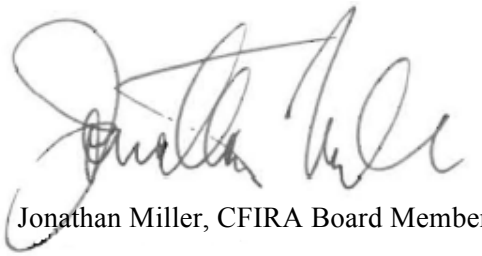
The ability to distinguish securities issued in a transaction exempt under Section 4(a)(6) (or securities issued in any other offering, exempt or registered) from other securities has long existed. The software that is mentioned above in the answer to question 128 has the ability to permanently attach characteristics to any securities position. Indeed, some such software can also permanently attach supporting documentation to any securities issuance, and will keep an audit trail of the origin and history of any securities position. The number of transactions that a particular securities position goes through in its life cycle is irrelevant to the fact that those securities can be traced back to their origin.

The costs associated with these identifying and tracking features are nominal, as they are included in the nominally priced software packages or software services described above. We strongly support the idea that Section (4)(a)(6) securities should be able to be identified and distinguished at all times. We do not believe that this requirement will be either unreasonably costly or burdensome to issuers.

Thank you for your time and consideration. If you have any questions regarding the responses to your questions in this letter, please contact Jonathan Miller by phone at [redacted] or via email to [redacted]

CFIRA is available to further discuss the recommendations and concerns expressed in this letter. We look forward to continue support working with the Staff and to making crowdfund investing a success for investors, small businesses and entrepreneurs.

Respectfully submitted,



Jonathan Miller, CFIRA Board Member

Freeman White, CFIRA Board Member