

PUBLIC STARTUP COMPANY, INC.

<https://www.publicstartup.com>

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Henderson, NV 89074-7739

February 22, 2014

To: Mary Jo White, Chair
Elizabeth M. Murphy, Secretary
Charles Kwon, Office of Chief Counsel,
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE, Washington, DC 20549-1090

CC: rule-comments@sec.gov

From: Jason Coombs, Co-Founder and CEO
Public Startup Company, Inc.

<http://twitter.com/JasonCoombsCEO>

<http://JOBS-ACT.com/Coombs.Jason>

<http://facebook.com/publicstartup/info>

<http://linkedin.com/in/jasoncoombs>

<http://facebook.com/JasonCoombsCEO>

Re: File No. S7-09-13, <http://www.gpo.gov/fdsys/pkg/FR-2013-11-05/pdf/2013-25355.pdf>

This comment illustrates practical problems with SEC's 176-page Proposed Rules for crowdfunding transactions pursuant to Section 4(a)(6) of Securities Act of 1933, Release Nos. 33-9470; 34-70741.

I previously urged the SEC to formally adopt "A Bill of Rights for Securities Issuers Under The JOBS Act" https://publicstartup.com/A_Bill_of_Rights_for_Securities_Issuers_Under_The_JOBS_Act.pdf

See: <http://www.sec.gov/comments/s7-09-13/s70913-93.pdf>

I also previously complained about censorship of my December 15, 2013 letter in which the SEC staff intentionally disabled select hyperlinks and blacked-out portions of my letter in order to make it more difficult for people to contact me. My second letter regarding the Commission's 176-page Proposed Rules for crowdfunding transactions provided answers to only 137 of the 284 Requests for Comment.

See: <http://www.sec.gov/comments/s7-09-13/s70913-245.pdf>

In my third letter regarding the Commission's 176-page Proposed Rules for crowdfunding transactions I called for the SEC to be dissolved entirely by Congressional action, and for regulation of unregistered securities sales to become the exclusive jurisdiction of the States in which the securities sales occur, but for Federal Law to govern public offering, advertising and issuer rights including especially the right to freedom of speech and freedom of association with others in the process of attempting to form capital.

See: <http://www.sec.gov/comments/s7-09-13/s70913-277.pdf>

I have been writing letters to the SEC since 2012 when the corrupt, criminal, outrageous action of the former Chair, Mary Schapiro, and her co-conspirators including most of the present Commissioners, first made it clear to me that the SEC was going to continue to be the problem rather than the solution.

My previous letters have been tweeted on my Twitter account: <https://twitter.com/JasonCoombsCEO>

In the following pages, the Commission will be shown what happens, in practice, when somebody who is not engaged in any fraudulent actions and who has legitimate business ventures in need of startup capital, such as my Public Startup Company, Inc. and Homeland Forensics, Inc. and Risk Nerd Limited and We Cluster, Inc. family of startup companies, attempts to use social media platforms like Twitter to publicly advertise and promote the existence of an unregistered securities Offering in the United States.

Because the 1933 Securities Act previously prohibited general solicitation and general advertising of unregistered securities Offerings, many publishers or media outlets including social media companies have been instructed by securities lawyers that they are not allowed to publish such advertisements. As the Commission is aware, its defective Rulemaking procedure regarding Rule 506(c) has not provided clarity on this point, despite the fact that a core legislative purpose of the JOBS Act was to mandate that the Commission provide such clarity and to do so by July 4, 2012. This failure is an outrageous illegal action by the Commission, its Commissioners, its former Chair Mary Schapiro, and its staff attorneys.

It appears to me that publishers and other media outlets including social media companies in the USA will not be provided with any safe harbor under the Commission's Proposed Rules, either for Offerings related to Regulation Crowdfunding that are conducted via registered funding portals or for Rule 506(c) Offerings, explicitly allowing such companies to allow third-parties to publish general advertisements.

The Commission must immediately resolve this uncertainty and remove all fear of potential regulatory interference, including but not limited to the threat of enforcement investigations, subpoenas and legal expenses associated with attempting to communicate with the Commission while it is threatening the officers, directors and employees of publishers and other media outlets with one year in prison for any possible non-compliance with the Commission's non-judicial subpoenas or its private investigations.

I urge the Commission to publish a Safe Harbor that clearly grants everyone in the United States the right to conduct general solicitation and general advertising of unregistered securities Offerings by giving all such Offerings the presumption of compliance with the JOBS Act. Although Title III seems to attempt to impose advertising restrictions for Regulation Crowdfunding advertising campaigns, it is obvious to anyone with a brain that Title II explicitly prohibits any regulatory restriction of Rule 506(c) advertisements, which, even with Proposed Rules that may soon require mandatory disclaimers and warning legends as part of any such advertising, and these Title III-compliant advertising materials can obviously be used to attract non-accredited investors to websites and other resources where information about Title II-compliant Regulation Crowdfunding Offerings will be **REQUIRED** if the issuer is trying to raise capital from “accredited” investors at the same time that the issuer is trying to raise capital from everyone regardless of wealth or sophistication. The Commission's disingenuous attempt to craft the JOBS Act-legislated advertising restriction Rules for Title III-compliant Regulation Crowdfunding Offerings will fail to provide the clarity, guidance and Safe Harbor that are necessary to properly advise securities lawyers for media companies unless the Commission makes it absolutely clear that there are no restrictions on advertising unregistered securities provided that issuers and any media outlet that publishes advertising materials produced by issuers AT LEAST clearly cite the JOBS Act as the basis of the legal authority to advertise, the full compliance therewith as a consequence should be presumed.

If the Commission permits publishers and other media outlets to presume that the issuer will comply with the JOBS Act Rules as a result of the issuer choosing to clearly cite the JOBS Act in the published advertising materials, then the issuer can ensure that non-accredited investors are redirected to their chosen (or “self-hosted” as suggested in my previous comment letters) registered funding portal. Only after the prospective investor self-identifies as non-accredited will the issuer even know that they need to be so redirected! Any prospective investor who indicates that they are “accredited” will, under the JOBS Act Rule 506(c), create an expense for the issuer as the issuer attempts to take “reasonable steps” to verify the “accredited” status of the prospective investor. Therefore, all issuers will have a common sense economic incentive to be clear in their communications with the public to ensure one of the first questions the issuer asks prospective investors when there is response to some advertising campaign is whether the investor would prefer to participate as an “accredited” investor in a direct-sales Offering of “restricted” securities or whether the investor will invest via Title III Regulation Crowdfunding portal.

As the Commission can clearly see in the following screen shots, a social media company like Twitter does not currently allow advertisers to publicly promote any securities. If this problem is not solved as part of the final Rules for Regulation Crowdfunding then these Rules will not create the freedom nor economic growth and new opportunity for America that the plain language of the JOBS Act mandates.


iPad 7:52 PM 66%

New campaign - Twitter Ad X

https://ads.twitter.com/accounts/18ce53uw7nk/campaigns/new

Ads Account

Launch a campaign with Twitter Ads




Jason Coombs, CEO @JasonCoo... 1m
Your copy goes here. Promote engaging Tweets including a call to action and link to [example.com](#).
Promoted by Jason Coombs, CEO

Promote your Tweets · [Learn more](#)

- Get your message in front of more of the right people
- Create a conversation and drive marketing results
- Pay only when users engage — clicks on a Tweet, retweets, replies, favorites, and follows

[New Promoted Tweets campaign](#)



Jason Coombs, CEO @JasonCoombsCEO
Promoted

Promote your account · [Learn more](#)

- Grow your follower base and build an audience of new and existing customers
- Followers see your Tweets, creating opportunities for engagement over time
- Pay only when you add a follower via your Promoted Account

[New Promoted Account campaign](#)



JasonCoombsCEO Followers

PROMOTED ACCOUNT · TARGETING INTERESTS AND USERS

Starts now, runs continuously

Users like your followers · In 1 location · Like followers of any of 6 users · 1 Tweet manually selected

Beta

Tell users why they should follow your account

Your Tweet will be displayed in the mobile device timelines of users who match your targeting criteria.
[See best practices.](#)

Available1 currently promotedPromote a new Tweet

☐

@JasonCoombsCEO anyone can offer securities publicly
[publicstartup.com/A_Bill_of_Righ...](#)

Jason Coombs, CEO @JasonCoombsCEO

19 Dec 2013, 11:45 AM

As facebook sells new shares, my Securities Issuer Bill of Rights asserts #JOBSAct lets anyone do their own offerings
[dealbook.nytimes.com/2013/12/19/fac...](#)

☐

Jason Coombs, CEO @JasonCoombsCEO

19 Dec 2013, 11:37 AM

Response to question "is \$ADIA a great investment?" - Have you read our SEC filings, examined history of our company?
[investorshub.advn.com/boards/read_ms...](#)

This Tweet is in review. [More info](#)

☒

Jason Coombs, CEO @JasonCoombsCEO

16 Dec 2013, 11:16 AM

Yesterday I proposed "Bill of Rights for Securities Issuers Under The JOBS Act" to SEC for #crowdfunding rulemaking
[investorshub.advn.com/boards/read_ms...](#)

Compose a new Tweet. For example: Be an insider! Follow us to get exclusive deals



Jason Coombs, CEO @JasonCoombsCEO
Yesterday I proposed "Bill of Rights for Securities Issuers Under The JOBS Act" to SEC for #crowdfunding rulemaking
[http://t.co/r37hENhojQ](#)

Jason Coombs, CEO
Promoted



Save campaign Cancel

Launch a campaign with Twitter Ads



Gain more followers · [Learn more](#)

- Pay only when you add a follower via your Promoted Account

[New Promoted Account campaign](#)



Reach more people with your Tweets · [Learn more](#)

- Pay only when users engage — clicks on a Tweet, retweets, replies, favorites, and follows

[New Promoted Tweets campaign](#)

Pin a Tweet on your profile · [Learn more](#)

- Take control of your profile page by pinning a Tweet to the top
- No charge to use
- Update as frequently as you'd like



PublicStartup Followers

PROMOTED ACCOUNT · TARGETING INTERESTS AND USERS

Starts now, runs continuously

Users like your followers · In 1 location · Like followers of any of 2 users · 1 Tweet manually selected

Beta

Tell users why they should follow your account

Your Tweet will be displayed in the mobile device timelines of users who match your targeting criteria.
[See best practices.](#)

Available

1 currently promoted

[Promote a new Tweet](#)



Public Startup @PublicStartup 29 NOV 2013, 11:04 AM
Thanks @MailChimp for giving #startups free social media-enabled subscriber opt-in communications tools! Love your API & social integration!



Crowdfunder TV Show @crowdfundershow 29 Nov 2013, 11:03 AM
Raise Money For Your Idea by Featuring it on TV. The Crowd Funder Show. Apply Now. crowdfundershow.com
Retweeted by Public Startup

This Tweet is in review. [More info](#)



Public Startup @PublicStartup 28 Nov 2013, 3:44 PM
Public Startup Company commenced its #IPO Initial Public Offering #CrowdFunding #iDays #JOBSAct #Rule506c #startups publicstartup.com/iDays



Public Startup @PublicStartup 13 Nov 2013, 9:08 PM
5 Legal Steps #Startups Founders Should Take Right Now: Entity/Founder



Compose a new Tweet. For example: Be an insider! Follow us to get exclusive deals

Save campaign

Cancel



Public Startup @PublicStartup
Public Startup Company commenced its #IPO Initial Public Offering #CrowdFunding #iDays #JOBSAct #Rule506c #startups <https://t.co/KRLuUzskva>

Public Startup
Promoted



No Service

6:51 PM

39%

ads.twitter.com/accounts/18ce53uw7nk/campaigns_dashboard?end=1388724

Search

Adia Nutrition, Inc...Special Domain Ser...Twitter Ads policiesFinancial servicesCampaign over...Twitter

AdsCampaignsCreativesAnalyticsConversion trackingAccountHelp?

HomeCredit/debit card

Campaigns

Create new campaign

Account ineligible.

Your account is ineligible to participate in the Twitter Ads program at this time based on the Twitter Ads policies listed below. Any previously active campaigns in your account are no longer running. You can learn more about our Advertising Policies at [twitter.com/adspolicy](#).

- Restricted financial products

AllTweetsAccount

31 Dec 2013 9PM - 2 Jan 2014 8PMUpdate

0IMPRESSIONS

0ENGAGEMENTS

\$0SPEND

There is no data to display for the selected date range.

CSV Daily

Showing 1 existing campaign

Engagement metricsSpend metrics



Jason Coombs, CEO
@JasonCoombsCEO

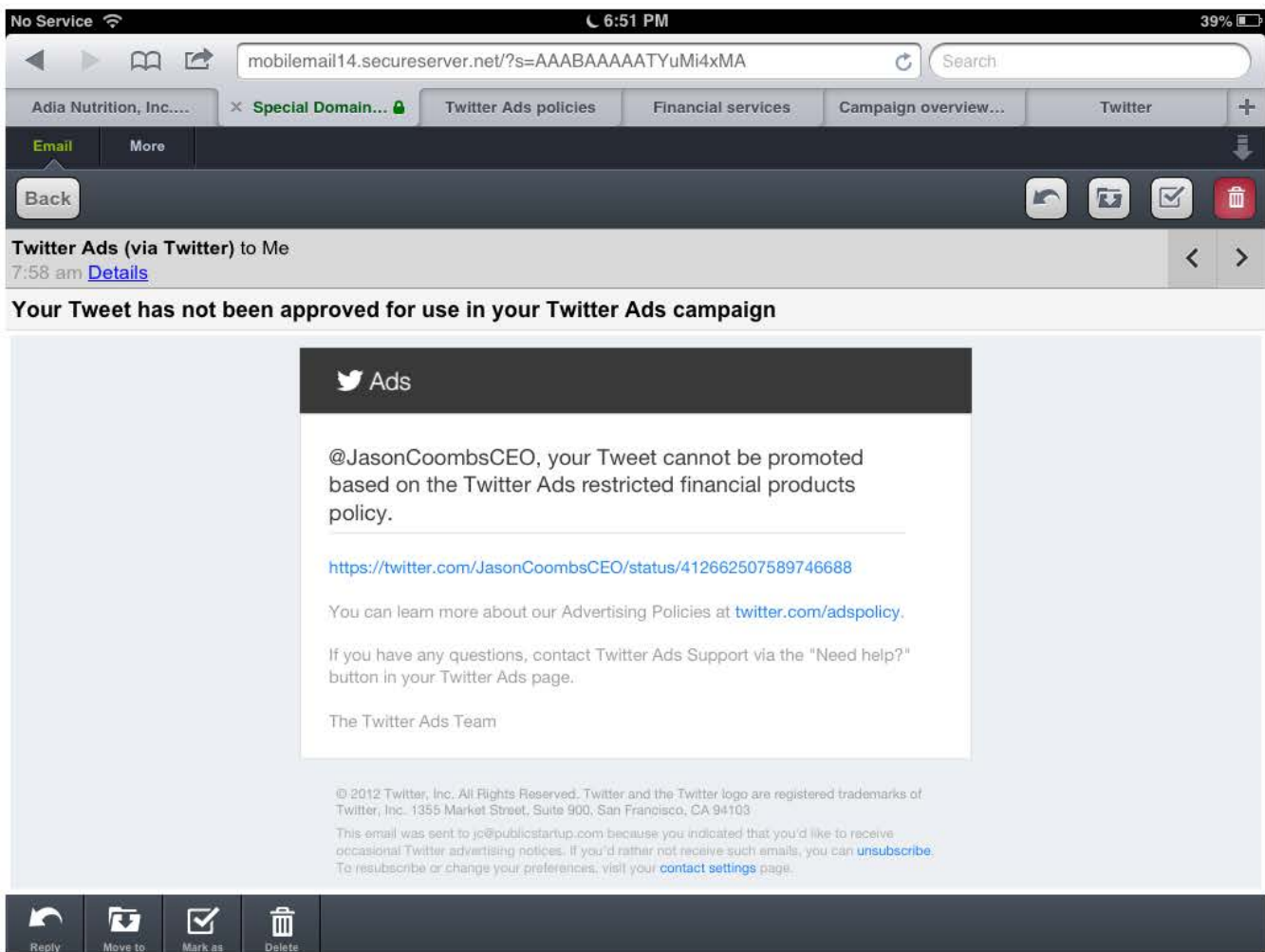


Yesterday I proposed "Bill of Rights for Securities Issuers Under The JOBS Act" to SEC for #crowdfunding rulemaking
investorshub.advfn.com/boards/read_ms...

9:16am - 16 Dec 13



Reply to @JasonCoombsCEO



No Service6:53 PM39%

ads.twitter.com/accounts/18ce53uw7nk/campaigns/edit?campaign_id=177218Search

Adia Nutrition, Inc...Special Domain Ser...Twitter Ads policiesFinancial servicesEdit campaign -...Twitter+

AdsCampaignsCreativesAnalyticsConversion trackingAccountTwitterHelp


Beta


Tell users why they should follow your account


Your Tweet will be displayed in the mobile device timelines of users who match your targeting criteria.
[See best practices.](#)

Available1 currently promotedPromote a new Tweet

This Tweet cannot be promoted. [More info](#)

 **Jason Coombs, CEO** @JasonCoombsCEO16 Dec 2013, 11:16 AM
Yesterday I proposed "Bill of Rights for Securities Issuers Under The JOBS Act" to SEC for #crowdfunding rulemaking
investorshub.advn.com/boards/read_ms...

 Compose a new Tweet. For example: Be an insider! Follow us to get exclusive deals and the latest updates.



Jason Coombs, CEO @JasonCoombsCEO
Yesterday I proposed "Bill of Rights for Securities Issuers Under The JOBS Act" to SEC for #crowdfunding rulemaking
<http://t.co/r37hENhojQ>
Jason Coombs, CEO
Promoted

Budget · All amounts in USD \$

No Service 7:01 PM 38%

ads.twitter.com/accounts/18ce53uw7nk/campaigns/edit?campaign_id=177218

Adia Nutrition, Inc... Special Domain Ser... Twitter Ads policies Financial services Edit campaign -... Twitter

Ads Campaigns Creatives Analytics Conversion tracking Account Help

addition to any @usernames you enter above.

Search for interest categories or Browse categories

Choose all of the locations

Enter countries, states/regions, m currently available. [Learn more](#)

Search for locations, e.g. U

Target users located in...

Country

Limit targeting by gender.

Beta

Tell users why they should

Your Tweet will be displayed in the See best practices.

Available 1 currently

This Tweet cannot be p

Jason Coombs, CEO @JasonCoombsCEO 18 Dec 2013 11:18 AM
Yesterday I proposed "Bill of Rights for Securities Issuers Under The JOBS Act" to SEC for #crowdfunding rulemaking
[investorshub.advn.com/boards/read_ms...](#)

Contact Twitter Ad Support

Subject
Please explain why I am prohibited from promoting my own securities

Twitter username **Email address**
@JasonCoombsCEO jc@publicstartup.com

Account name
Jason Coombs, CEO

What's happening?
Policy

Some more details
I need help understanding advertising policies.

Describe your issue
Twitter rejected my account because I am attempting to advertise my own securities, issued by companies that I created or companies for which I am CEO. Please explain why this is prohibited in the U.S.A.
Security reminder: Do not include private information (address, home phone) in this request. **Never** include your password or payment information.

Submit

Want more help? Visit the [Advertising Help Center](#).

No Service

7:04 PM

38%

support.twitter.com/articles/20170445

Reader

Search

Adia Nutrition...

Special Domain...

Twitter Ads poli...

Financial services

Edit campaign -...

Financial...

Twitter

+

Help Center

Search

English

Got an account?

Sign in

Welcome to Twitter

Me

Connect

Discover

Mobile & Apps

Troubleshooting

Welcome to Twitter Ads

Promoted Accounts

Promoted Tweets

Conversions

Advertiser policies

About Twitter Ads

Financial services

Twitter Ads Policies

This policy applies to Twitter's paid advertising products, which are Tweets, trends and accounts marked with a yellow or purple badge.

For more information about Twitter's paid advertising products, [click here](#).

For information about Twitter's other policies, [click here](#).

What's the policy?

Twitter restricts the promotion of financial services and related content. These restrictions are based on the specific product or service being promoted, as well as the country that a campaign is targeting. To determine the policy for your product or service and the country or countries you wish to target, see the country-specific information below. Unless listed below, the promotion of financial services and related content is prohibited.

Note: In certain cases listed below, advertisers are only permitted if they have prior authorization from Twitter. Authorization starts with being in touch with a Twitter account team. Instructions for contacting Twitter are included in each case.

Any advertisement for financial services and related content that is allowed under the country-specific information below

must in addition:

- be compatible with the complete information that must be provided to the investor or consumer under applicable law, including any required disclosures
- be clearly identified as financial services
- indicate the nature and specific type of financial service
- indicate the incumbent risks and provide a fair and balanced disclosure of the risks and benefits
- be advertised in a local language

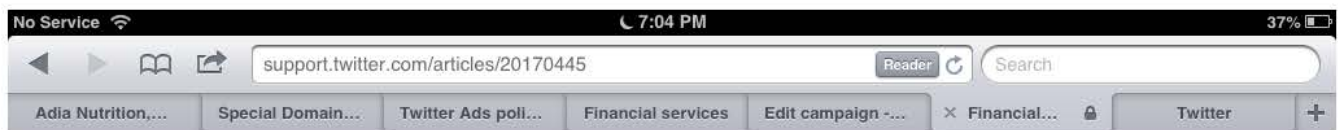
In addition, advertisers promoting financial services must:

- provide an accurate and complete physical address on their website
- include links to substantiate any express or implied third-party accreditation, endorsement or affiliation, for example, verification of government affiliation and third-party ratings

What products or services are subject to this policy?

This policy applies, but is not limited, to:

- Banking services and banking institutions
- Loan products and services
- Mortgages and related services
- Mortgage and debt relief or assistance services
- Investment advice, investment opportunities, and offers to increase wealth
- Insurance products and services
- Securities
- Currency exchange, trading, and related services



What products or services are not subject to this policy?

This policy generally does not apply to:

- News and information about financial services

How does this policy vary from country to country?

To determine the policy for your product or service and the country or countries you wish to target, see the country-specific information below. Unless listed below, the promotion of financial services and related content is prohibited.

Advertisements for financial services and related content are permitted only when targeting the countries below:

Africa and Middle East	Asia Pacific	Europe	Latin America	North America
Egypt	Australia	France	Argentina	Canada*
Kuwait	India	Germany	Brazil*	U.S.*
Pakistan	Indonesian	Ireland*	Chile	
Saudia Arabia	Japan*	Italy*	Colombia	
United Arab Emirates	Malaysia	Netherlands	Dominican Republic	
	Singapore*	Spain*	Ecuador	
	South Korea*	Turkey	Mexico	
		UK and jurisdictions*	Peru	
			Uruguay	
			Venezuela	

**Advertisers targeting these countries are only allowed with prior authorization from Twitter. [Contact Twitter if you are interested in this option.](#)*

The following additional requirements apply to financial services advertisements targeting certain countries:

Australia

- Promotion of securities is prohibited.

Brazil

- Advertisements for insurance services are permitted with restrictions. These advertisers must be authorized by the applicable insurance society, and are only allowed with prior authorization from Twitter.
- [Contact Twitter if you are interested in this option.](#)

Canada

- Promotion of general credit and loan products is permitted.
- All other financial services are prohibited.
- [Contact Twitter if you are interested in this option.](#)

Colombia

- Financial advertisers can only target Colombia if their business is based in Colombia.

Germany

- Promotion of investment products and services is prohibited.

Ireland

- Advertisements for investment services, banking services, and collective investment funds are permitted with restrictions.
- Investment and banking services advertisers must be authorized by the [Central Bank of Ireland](#). Collective investment fund advertisers must be authorized by way of a passport under the UCITS regime, or in the case of a non-UCITS, by the Central Bank of Ireland. These advertisers are allowed with prior authorization from Twitter.
- [Contact Twitter if you are interested in this option.](#)

Italy

- Advertisements for financial services are permitted with restrictions. Advertisements may not state any of the economic conditions under which these products are offered in Promoted Tweet copy. In addition, these advertisers must be authorized by the [CONSOB](#) or the [Bank of Italy](#) as applicable, and are only allowed with prior authorization from Twitter.
- [Contact Twitter if you are interested in this option.](#)

Japan

- Consumer credit services are prohibited.
- Advertisements for banking, securities, insurance, credit cards and mortgages are permitted with restrictions.
- Banking, securities and insurance advertisers must be authorized by the [Financial Services Agency](#).
- Credit card advertisers must be members of the [Japan Consumer Credit Association](#).
- These advertisers are allowed with prior authorization from Twitter.
- [Contact Twitter if you are interested in this option.](#)

Malaysia

- Money services business or info which may lead directly or indirectly to a transaction relating to a money services business is prohibited.
- Securities and investment schemes are prohibited.
- Any form of financial speculation, intended to promote or attract interest in stocks and shares is prohibited, except for ads related to newly approved IPOs.

Mexico

- Financial services advertisers can only target Mexico if their business is based in Mexico.

New Zealand

- Promotion of securities is prohibited.

Peru

- Advertisements for financial services are permitted with restrictions. These advertisers must be licensed with the appropriate regulatory agency.

Singapore

- Advertisements for moneylender services (other than those provided by entities authorized by the [Monetary Authority of Singapore](#)) are prohibited.
- Advertisements for banking, capital markets or securities, insurance, and financial advisory products or services are

- Advertisements for banking, capital markets or securities, insurance, and financial advisory products or services are permitted with restrictions. These advertisers must be authorized by the [Monetary Authority of Singapore](#).
- [Contact Twitter if you are interested in this option.](#)

South Korea

- Advertisements for credit and lending services, financial investment services, and insurance are permitted with restrictions.
- Credit and lending services advertisers must be authorized by a competent local authority or the [Financial Supervisory Service](#).
- Financial investment services and insurance must be authorized by the [Financial Supervisory Service](#).
- These advertisers are allowed with prior authorization from Twitter.
- [Contact Twitter if you are interested in this option.](#)

Spain

- Advertisements for securities are permitted with restrictions. Securities advertisers must be authorized by the [CNMV](#), and are only allowed with prior authorization from Twitter.
- [Contact Twitter if you are interested in this option.](#)

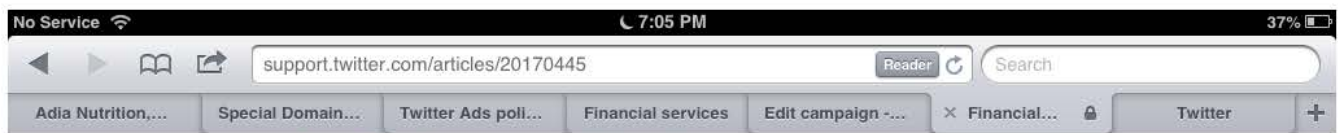
United Arab Emirates

- Advertisements for financial services are permitted with restrictions. These advertisers must be licensed with the [Securities and Commodities Authority](#) or the [Central Bank of the United Arab Emirates](#), as appropriate.

UK

- Advertisements for financial services are permitted with restrictions. Lenders and creditors must be authorized by the [Office of Fair Trading](#). Claims management businesses must be authorized by the [Ministry of Justice](#). Other financial advertisers must be authorized by the [Financial Conduct Authority](#).
- All U.K. financial advertisers are only allowed with prior authorization from Twitter. Authorizations are not required for advertisements targeted to the UK jurisdictions of Gibraltar, Guernsey, Isle of Man and Jersey.
- [Contact Twitter if you are interested in this option.](#)

U.S.



- [Contact Twitter if you are interested in this option.](#)

U.S.

- Promotion of short-term loans and mortgage assistance relief services, including foreclosure prevention services, is prohibited.
- Promotion of free credit reports may not be tied to a recurring subscription service.
- [Contact Twitter if you are interested in this option.](#)

Venezuela

- Financial advertisers can only target Venezuela if their business is based in Venezuela.
- Advertisements for banking, brokerage, investment, and trading services are permitted with restrictions. These advertisers must be licensed with the appropriate regulatory agency.

What do advertisers need to know about this policy?

Review our guidelines and make sure you understand the requirements for your brand and business. You are responsible for all your promoted content on Twitter. This includes complying with applicable laws and regulations regarding advertisements.

What other Twitter resources relate to this policy?

- [Guidelines for contests on Twitter](#)

Contact Twitter

If you have a question about this content and are an advertiser, please contact our support agents directly by signing in to ads.twitter.com and clicking the "Need Help" text in the top navigation bar.