



CrowdFund Intermediary Regulatory Advocates
1345 Avenue of the Americas
New York, NY 10105
Telephone: (212) 370-1300

August 21, 2014

Chairman Mary Jo White
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

Re: JOBS Act Title III – Final Rules

Dear Chairman White:

We write as members of the CrowdFund Intermediary Regulatory Advocates (CFIRA), proponents of – and advocates for – the JOBS Act. We are, and represent, leading broker-dealers, portals, service providers and other participants (and prospective participants) in Title II and Title III offerings under the JOBS Act.

As leading Congressional advocates for the JOBS Act wrote to you earlier this month, Title III "was supposed to reduce the burdens and hurdles for US startups and entrepreneurs to gain access to critical new sources of capital from more modest investors." Unfortunately, those objectives have been delayed for over 500 days beyond the original Congressional deadline -- in part, by Commission inaction.

We would like to confirm to you what you probably already know: the securities crowdfunding industry is an industry-in-waiting. Issuers and investors are ready and waiting for the rules to begin creating jobs, growing the economy, and expanding access to capital. Entrepreneurs are launching new companies every day, investing greatly in their businesses and ready to serve this new industry. Until the rules are released, however, we – the participants in the securities crowdfunding industry – cannot ignite this new and valuable capital formation engine.

We are writing to urge you to complete the rulemaking process as soon as you can, and to request that you provide a deadline so that the industry can prepare for this exciting new era of job growth and innovation. While others have advocated releasing the rules as proposed, we believe that this would be a mistake, as the proposed rules present several significant barriers to healthy market operation. We encourage you to incorporate industry comments into the final rule, particularly those regarding disclosure requirements and funding portal liability.¹

¹ For more detailed comments on these matters, see CFIRA's comment letters to the Commission dated January 26, 2014 (Disclosure Requirements, available at: <http://www.sec.gov/comments/s7-09-13/s70913-264.pdf>), February 6, 2014 (Funding Portal Liability, available at: <http://www.sec.gov/comments/s7-09-13/s70913-270.pdf>). See also the Testimony of David J. Paul, Co-Chair, CFIRA, before the House Small Business Committee, January 16, 2014, available at: http://smallbusiness.house.gov/uploadedfiles/1-16-2014_paul_testimony_-_djp_-_final.pdf

Respectfully,

The Board of Directors of CFIRA

By: 

Chris Tyrrell, Chairman, CFIRA
CEO, OfferBoard Group

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