



March 24, 2014

Ms. Elizabeth M. Murphy
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

RE: File No. S7-11-13 Proposed Rule Amendments for Small and Additional Issues Exemptions Under Section 3(b) of the Securities Act

Dear Ms. Murphy:

PricewaterhouseCoopers LLP appreciates the opportunity to respond to the Securities and Exchange Commission's (the "Commission") File No. S7-11-13, *Proposed Rule Amendments for Small and Additional Issues Exemptions Under Section 3(b) of the Securities Act* (the Proposed Rule). We support the Commission's continuing efforts to facilitate capital raising by smaller businesses while at the same time providing appropriate levels of investor protection.

We are supportive of the Commission's efforts to leverage existing disclosure requirements (rather than developing new standards) wherever practical.¹ We believe this will promote consistency and reduce uncertainty for investors and preparers. We support the use of references to Regulations S-X or S-K (supplemented as necessary) wherever the Commission intends that the disclosures provided by a Regulation A issuer should be similar to those required by Regulations S-X or S-K. We believe such references provide helpful context for both issuers and investors to understand the corresponding requirements. We would support the Commission looking for additional ways to leverage its existing disclosure regime. For instance, if the Commission's intention is for the pro forma financial information required by a Tier I issuer to be the same as that required by Rule 8-05 of Regulation S-X, we recommend that the final rules make that clear by referencing Rule 8-05. Similarly, if the Commission's intention is for the disclosures required by Item 5 of Form 1-U (regarding non-reliance on previously issued financial statements or a related audit report or completed interim review) to be similar to the requirements of Item 4.02 of Form 8-K, we recommend that the Commission consider referencing the existing disclosure requirements. The Commission may also wish to consider whether the guidance set forth in the Division of Corporation Finance-Exchange Act Form 8-K Compliance and Disclosure Interpretation 101.01 (regarding the need to file a Form 8-K to report triggering events under Items 4.01 and 4.02 rather than reporting them in an Exchange Act periodic report) should be applied to the corresponding portions of Form 1-U (Items 4 and 5).

The Commission requested comment² on whether it should permit Canadian Regulation A issuers to prepare their financial statements using IFRS as issued by the IASB (rather than U.S. GAAP). The Commission asked the same question with regard to foreign private issuers if the Commission were to extend the use of Regulation A to all foreign private issuers. Given the flexibility provided to Canadian companies that register securities with the SEC, we are supportive of the Commission's proposal to permit Canadian Regulation A issuers to prepare their financial statements in accordance with IFRS as issued by the IASB. If the Commission were to permit all foreign private issuers to offer securities under

¹ Refer to Question 62 of the proposing release.

² Refer to Question 61 of the proposing release.



Regulation A, we would also be supportive of the Commission permitting those entities to prepare their financial statements using IFRS as issued by the IASB (similar to the flexibility provided to foreign private issuers that register their securities with the SEC).

The Commission also requested comment³ on whether it should require more or less information in Part I (Notification) of Form 1-A. We do not believe there should be a requirement (as is proposed in Part I (Item 4)) to name an auditor when there are no audited financial statements included in the document because that disclosure could result in investor confusion as to the degree of auditor involvement.

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We appreciate the opportunity to express our views and would be pleased to discuss our comments or answer any questions that the SEC staff or the Commission may have. Please do not hesitate to contact John May (973-236-4793) regarding our submission.

Sincerely,

PricewaterhouseCoopers LLP

³ Refer to Question 45 of the proposing release.