PUBLIC STARTUP COMPANY, INC.
https://www.publicstartup.com
2360 Corporate Circle, Suite 400
Henderson, NV 89074-7739

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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. S7-11-13, http://www.gpo.gov/fdsys/pkg/FR-2014-01-23/pdf/2013-30508.pdf
JOBS Act legislation URL http://www.gpo.gov/fdsys/pkg/BILLS-112hr3606enr/pdf/BILLS-112hr3606enr.pdf

This comment addresses Proposed Rules for revisions to federal securities regulation pursuant to Title IV of the JOBS Act, as these Rule revisions intersect and overlap with JOBS Act Title II and Title III.

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
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.

I submitted 5 comment letters previously published at http://www.sec.gov/comments/s7-11-13/s71113.shtml
As discussed in my previous letters and in my proposed "Bill of Rights for Securities Issuers Under the JOBS Act" published on December 15, 2013, it is my considered viewpoint that the SEC has no authority to hijack either the practical or legal definition of the word "crowdfunding" in America nor does the SEC have the authority to preempt industry practices which already exist, nor any that might emerge, by declaring the phrase "equity crowdfunding" to be the exclusive domain of the Commission and its Title III Rulemaking.

In my opinion, the SEC must explicitly permit anyone who conducts Title II and Title IV public Offerings – in reliance upon Rule 506(c)/Rule 144A and Regulation A+, respectively – to use the same terminology and language for communicating with the general public as issuers would use if they were relying on Title III of the JOBS Act under the new Section 4(a)(6) "crowdfunding exemption" which "crowdfunding transactions" must be conducted through a registered "funding portal" intermediary to receive the Section 4(a)(6) benefit.

Although it is perfectly clear already that in order to rely on the Section 4(a)(6) exemption, a "transaction" must be "conducted through a broker or funding portal that complies with the requirements of Section 4A(a)" it should be made perfectly clear, in each of the Title II, Title III and Title IV final Rules, that an issuer is not required to conduct Title II- or Title IV-compliant transactions through a broker or funding portal in order to be able to lawfully utilize the term "crowdfunding" when advertising the public Offering.

If SEC Rule does not affirm the fundamental right to speak with the public using the language that members of the public comprehend, then it is clear to me that the Commission itself or certain state regulators will very likely make accusations of wrongdoing against Title II or Title IV issuers based merely on issuers' use of language such as "crowdfunding" to attract potential investors from the general public. It is clear that the **Massachusetts Securities Division asserts *wrongly* that "Equity Crowdfunding" is limited to Title III transactions only** (See http://www.sec.state.ma.us/sct/sctinv/pdf/Crowdfunding.pdf for example) and this same state regulator has threatened to fight to block any other preemption of state securities regulation. The Final Rules for Title II, Title III and Title IV should establish clearly that issuers have a right to speak freely, truthfully and efficiently about "crowdfunding" efforts involving any public offer of unregistered securities.