

ADMINISTRATIVE PROCEEDING

File No. 3-17864

SEC Temporarily Suspends Registration Exemption of Regulation A Issuer

February 28, 2017 – The Securities and Exchange Commission announced that it has temporarily suspended the registration exemption of an issuer that made significant material misrepresentations in connection with its attempt to obtain a registration exemption for a \$20 million offering of securities.

Amendments to Regulation A, which [the SEC adopted in 2015 and are often referred to as Regulation A+](#), provide for two tiers of registration exemptions: Tier 1 for offerings up to \$20 million and Tier 2 for offerings up to \$50 million. Rule 258 under Regulation A authorizes the Commission to temporarily suspend an issuer's Regulation A exemption if the Commission has reason to believe that the issuer's offering statement or sales materials contain any untrue statement of a material fact, or that the issuer has refused to cooperate with an investigation by the Commission.

According to the SEC's temporary suspension order, Web Debt Solutions, LLC filed an offering statement with the SEC in July 2016 to obtain an exemption for a Tier 1 offering. The offering statement contained material misrepresentations regarding the company's assets, the industry experience of its CEO, and the location of its principal office. Additionally, the CEO of Web Debt Solutions, Stephanie Izevbizua, failed to produce documents in response to the SEC staff's investigation.

This is the SEC's second temporary suspension order under the amendments to Regulation A.

This matter is being handled by Eric Day and Charles Stodghill, and is being supervised by Anita B. Bandy.

See also: [Order](#)