



crowdcheck™

JOBs Act Title III: Crowdfunding

What Title III changed and what it didn't



crowdcheck™

- New exemption from 33 Act registration
- New exemption from 34 Act registration
- New regulated entity: the crowdfunding portal
- No changes to Investment Adviser Act
- No changes to Investment Company Act
- No changes to trading platform regulation
- No changes to STA regulation

Policy issues for SEC

- The nature of a crowdfunding portal
- How much to dictate offering process
- Monitoring investment limits
- Monitoring investor education requirements
- Integration issues

SEC rulemaking required

- Issuer disclosure requirements
 - Filing and availability issues
- Communication and advertising
- Background checks and use thereof; bad actor provisions
- Activities permitted (or prohibited) for portals; portal operating requirements

- Guidance on liability
- Investment adviser guidance
- Investment company definition relief?
- Trading systems
- Impact of subsequent trading of crowdfunded securities