



# Crowdfunding Cheat Sheet

	Title II – Rule 506(c)	Title III	Regulation A+ Tier 2	Regulation A+ Tier 1	Rule 504
In Effect	Yes – since 09/23/2013	Yes – since 05/16/2016	Yes – since 6/19/2015	Yes – since 6/19/2015	Yes
Maximum Dollars Raised	No maximum	\$1 million per 12 months, including affiliates	\$50 million per 12 months	\$20 million per 12 months	\$1 million per 12 months
Permitted Investors	Only Accredited	Anyone	Anyone	Anyone	Anyone
Per-Investor Limits	None	Yes – depends on income and net worth of investor, and applies to all Title III deals	For non-accredited investors, 10% of income or net worth, whichever is more, per deal	None	None
General Solicitation Permitted	Yes	Yes, but only through portal and limited advertising	Yes	Yes	Yes
Testing the Waters	Yes	No	Yes	Yes	N/A
Cost	Low	Very low	Very high	Very high	Very high
Exempt from State Registration	Yes	Yes	Yes	No	No
Sold Through Portals	Yes	Yes (only through licensed portal)	Yes	Yes	No
Portals Required to Register	No, provided activities are limited	Yes	No	No	Not applicable
Portals Allowed to Pick and Choose	Yes	Yes	Yes	Yes	Not applicable
Pre-Sale Information Required	None	Substantial	Very substantial, akin to a mini-registration statement for a public company	Very substantial, akin to a mini-registration statement for a public company	None
Shareholder Limits	2,000 accredited investors	None	None	None	2,000 total investors, 500 non-accredited investors
Audited Financial Statements	No	Not for first Title III offering, but possibly later	Yes	No	No
Pre-Sale Approval Required	No	No	Yes – submission must be approved by SEC	Yes – submission must be approved by SEC	No for Federal purposes
Length of Process	Very fast	Pretty fast	Very slow	Very slow	Very slow
Available to Foreign Issuers	Yes	No	Only Canadian (all issuers must have principal business in U.S. or Canada)	Only Canadian (all issuers must have principal business in U.S. or Canada)	Yes
Investor Verification	Verification required	N/A	Self-certification	N/A	N/A
Available for Sale of Owner Shares	No	No	Yes	Yes	No
Subject to “Bad Actor” Disqualification	Yes	Yes	Yes	Yes	No
Ongoing Reporting	None	Moderate	Substantial ongoing reporting, akin to a mini-public company, but waived depending on number of investors	None	None



**Mark Roderick** is an attorney at Flaster Greenberg PC concentrating his practice on the representation of entrepreneurs and their businesses. He maintains a Crowdfunding blog, which contains news, updates and links to important information pertaining to the JOBS Act and how Crowdfunding may affect your business. For more information, email him at [mark.roderick@flastergreenberg.com](mailto:mark.roderick@flastergreenberg.com), call him at 856.661.2265, follow him on twitter