

Crowdfunding Cheat Sheet

	Title II (Rule 506(c))	Title III (Reg CF)	Title IV (Regulation A Tier 2)	Rule 506(b)	Regulation S
Maximum Dollars Raised	No Limit	\$5 million per 12 months for each group of companies under common control	\$75 million per 12 months for each project	No Limit	No Limit
Permitted Investors	Only Accredited	Anyone	Anyone	Accredited plus up to 35 non-accredited	Only non-U.S. investors, accredited and non-accredited
Per-Investor Limits	No Limit	For non-accredited investors (i) the greater of \$2,500 or 5% of the greater of income or net worth, if income or net worth is less than \$124,000; or (ii) 10% of the greater of income or net worth, not to exceed \$124,000, if both income and net worth are at least \$124,000	For non-accredited investors, 10% of income or net worth, whichever is more, per deal	No Limit	No Limit
Advertising	Yes	Yes, but limited if not through portal	Yes	No	Yes, but not in U.S.
Testing the Waters	Yes	Yes	Yes	Yes, but only to those with a pre-existing relationship	Yes
Cost	Very low	Very low, except portal commissions	High	Low	Low
Exempt from State Registration	Yes	Yes	Yes	Yes	Yes
State Blue Sky Filings	Yes	No, with some exceptions	Yes	Yes	No
Sold Through Portals	Permitted, but not required	Yes	Permitted, but not required	Permitted, but not required	Permitted, but not required
Portals Required to Register	No	Yes	No	No	No
Non-U.S. Portals Allowed	Yes	Yes, but only in some countries	Yes	Yes	Yes

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Disclosures Required by Law	None, except to avoid 10b-5 claims	Moderate	Substantial	Moderate	None
Shareholder Limits	2,000 equity owners	None if certain conditions satisfied	None if certain conditions satisfied	2,000 equity owners	2,000 equity owners
Audited Financials Required	No	If raising more than \$1,235,000 yes; if first time offering no more than \$1,235,000, no; otherwise maybe	Yes	Sometimes	No
Pre-Sale Approval of SEC Required	No	No	Yes	No	No
Length of Process	Very fast	Pretty fast	Slow	Pretty fast	
Available to Companies not Formed in U.S.	Yes	No	Yes	Yes	Yes
Available to Businesses Managed Outside U.S.	Yes	Yes	No, except Canada	Yes	Yes
Non-U.S. Investors Permitted	Yes	Yes	Yes	Yes	Yes
Investor Verification Required	Yes	No	No	No	No
Available for Sale of Owner Shares	No	No	Yes	No	No
Subject to "Bad Actor" Disqualification	Yes	Yes	Yes	Yes	No

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Ongoing Reporting	None	Moderate	Substantial	None	None
Special Purpose Vehicles Permitted	Yes, with no more than 100 owners	Yes, subject to strict rules	No	Yes, with no more than 100 owners	Yes, with no more than 100 owners
Investment Companies Allowed to Raise Capital	Yes, with no more than 100 owners	No	No	Yes, with no more than 100 owners	Yes, with no more than 100 owners
Types of Securities Permitted	Any	Any	Any	Any	Any
Resales Permitted	After 12 months	After 12 months	Immediately	After 12 months	Yes, but restricted in U.S.
Possible Application of Non-U.S. Securities Laws	Yes, if any non-U.S. investors	Yes, if any non-U.S. investors	Yes, if any non-U.S. investors	Yes, if any non-U.S. investors	Yes
Simultaneous Offerings Allowed with Other Offering Types	Sometimes	Sometimes	Sometimes	No	Generally yes



Mark Roderick leads Lex Nova Law’s Crowdfunding and Fintech practice. He writes a widely-read blog at CrowdfundingAttorney.com and is a featured speaker at Crowdfunding and Fintech events across the country, including New York, Texas, Chicago, and Silicon Valley. Mark is one of the most prominent Crowdfunding and Fintech lawyers in the United States. He represents portals, issuers, and others across the country and around the world. For more information, call 856.382.8402 or email, mroderick@lexnovallaw.com.