

Virginia Intrastate Crowdfunding Exemption and Regulation A Comparison

	Virginia Intrastate Crowdfunding Exemption	Regulation A	
		Tier 1	Tier 2
State Filing Requirements	\$250 Filing Fee Form ICE	\$250 - \$500 Filing Fee Form U-1 or S.A. 8 Items required by § 13.1-510	No Filing Fee or Form (Commission may require by rule a Notice Filing and Fee in the future)
Offering Amounts	Up to \$2,000,000	Up to \$20,000,000	Up to \$50,000,000
Offering Period	12 months	12 months	12 months
Offeree Types	All, including non-accredited investor VA Residents only	All, including non-accredited investor	All, including non-accredited investor
Individual Investment Limits	Non-accredited: Maximum of \$10,000	None	Non-accredited: Maximum of 10% of income or 10% of net worth, whichever is higher
Investor Verification	Self-Certification	N/A	Self-Certification
Advertising / General Solicitation	Unrestricted	Unrestricted	Unrestricted
Testing the Waters	Not permitted	Testing the waters allowed; issuer must file with state in accordance with §13.1-514.1 C and Rule 21VAC5-40-70	Testing the waters allowed but states are pre-empted from requiring a filing under federal rules.
Offering Documents	Form ICE or other disclosure document	Robust – State Registration by Qualification (§13.1-510) and SEC Approval	Robust – SEC Approval

Virginia Intrastate Crowdfunding Exemption and Regulation A Comparison

Financials Disclosure	<p>\$500,000 or less – Certified by officer</p> <p>More than \$500,000 but less than \$1,000,000 – Reviewed Financials</p> <p>\$1 million or more – Audited Financials</p>	For offerings that include Virginia, audited financials are required.	Audited Financials (2 years)
Ongoing Disclosure / Filing	Annual Disclosure and Financials	None	Annual, Semi-Annual, Current Reports including audited financials
Termination of Ongoing Reporting	3 fiscal years after commencement of offering	N/A	Issuer has less than 300 shareholders of Reg A+ stock and have no ongoing offers or sales
Transfer Restriction	For 9 months after Issuer's last sale, transfers limited to VA residents only	None	None
Shareholder Limit	None	None with conditions	None with conditions
Intermediary	None Required	None Required	None Required
State Pre-emption	No pre-emption; Filing required (See 21VAC5-40-190)	No pre-emption; Coordinated Review Program available amongst states.	Yes; however, the Commission may require by rule a Notice Filing and Fee in the future.
Related Virginia Statute and Regulations	<p>§ 13.1-514 B 21</p> <p>21VAC5-40-190</p>	§ 13.1.510 of the Virginia Securities Act	N/A

March 2016