

## Appendix: Summary of Exempt Offerings<sup>1</sup>

Type of offering	Investor requirements	Issuer requirements	Offering limit (12-months)	General solicitation	SEC filing requirements	Restrictions on resale	State preemption
Section 4(a)(2)	All investors must meet sophistication and access to information requirements	None	None	No	None	Yes — restricted securities	No
Rule 506(b)	Unlimited accredited investors; up to 35 sophisticated non-accredited investors	“Bad actor” disqualifications apply	None	No	Form D	Yes — restricted securities	Yes
Rule 506(c)	Unlimited accredited investors; issuer must take reasonable steps to verify that all purchasers are accredited investors	“Bad actor” disqualifications apply	None	Yes	Form D	Yes — restricted securities	Yes
Reg A: Tier 1	None	U.S. or Canadian issuers; no blank check companies, RICs, BDCs, issuers of certain securities, and certain issuers subject to a Section 12(j) order; “bad actor” disqualifications apply; no asset-backed securities	\$20mm	“Testing the waters” permitted	Form 1-A, including 2 years of financial statements; exit report	No	No
Reg A: Tier 2	Non-accredited investors are subject to investment limits based on annual income and net worth, unless securities will be listed on a national securities exchange	Same as Reg A: Tier 1	\$50mm	“Testing the waters” permitted	Form 1-A, including 2 years of audited financial statements; annual, semi-annual,	No	Yes

<sup>1</sup> This table is drawn from Table 1 in SEC, HARMONIZATION OF SECURITIES OFFERING EXEMPTIONS: CONCEPT RELEASE, 84 Fed Reg. 30460, 30465 (June 26, 2019).

Type of offering	Investor requirements	Issuer requirements	Offering limit (12-months)	General solicitation	SEC filing requirements	Restrictions on resale	State preemption
					current, and exit reports		
Rule 504	None	No blank check companies, Exchange Act reporting companies, or investment companies; “bad actor” disqualifications apply	\$5mm	Permitted in limited situations	Form D	Yes — restricted securities, except in limited circumstances	No
Intrastate: Section 3(a)(11)	Offerees and purchasers must be in-state residents	In-state residents “doing business” and incorporated in-state; no RICs	No Federal limit (states generally limit to between \$1–\$5mm)	Offerees must be in-state residents	None	Securities must come to rest with in-state residents	No
Intrastate: Rule 147	Offerees and purchasers must be in-state residents	In-state residents “doing business” and incorporated in-state; no RICs	No Federal limit (states generally limit to between \$1–\$5mm)	Offerees must be in-state residents	None	Yes — resales must be within state for 6 months	No
Intrastate: Rule 147A	Purchasers must be in-state residents	In-state residents “doing business” and incorporated in-state; no RICs	No Federal limit (states generally limit to between \$1–\$5mm)	Yes	None	Yes — resales must be within state for 6 months	No
Reg Crowdfunding; Section 4(a)(6)	Investment limits based on annual income and net worth	No non-U.S. issuers, blank check companies, Exchange Act reporting companies, and investment companies; “bad actor” disqualifications	\$1.07mm	Permitted with limits	Form C, including 2 years of financial statements that are certified, reviewed, or audited; progress and annual reports	12-month resale limitations	Yes