

## **Crowdfunding and Securities Regulation for Start Ups**

Thursday, February 27, 2020, 6:00 – 8:00 p.m.

Shepard Broad College of Law

Presented by the Sharon and Mitchell W. Berger Entrepreneur Law Clinic at the Shepard Broad College of Law, this program provides an introduction to the various approaches to crowdfunding and crowd-financing available to companies who use them to launch their enterprises and products.

Established by the JOBS Act, crowdfunding regulations provide a ready platform for entrepreneurs to sell securities, promote products, and highlight innovations. These regulations are complex, however, and require the entrepreneur remain vigilant to comply with securities disclosure obligations, advertising laws, and FTC guidelines. The program will feature four NSU veteran lawyers exploring the best practices and minimum safeguards essential for entrepreneurs to raise funds and sell products successfully through the online platforms.

The program is free and open to the public. Attorneys seeking CLE credit are required to register and pay a CLE certification of \$45.00. The panel features presentations, discussions, and an audience Q&A.

### Topics

- *Crowdfunding basics, platforms/intermediaries, investor limits, and the regulations of the JOBS Act*

Crowdfunding provides a new platform to raise funds for nonprofit organizations, sell goods, and even raise business capital. Authorized under the JOBS Act, there are many legal requirements to comply with the law and protect the interest of the business owner. This aspect of the program will outline how best to understand the opportunities and limitations of crowdfunding.

- *State and federal securities law requirements for entrepreneurs using the Crowdfunding safe harbors*

The JOBS Act provides authorization to sell corporate securities through crowd financing, but it does not replace the state and federal anti-fraud laws and other rules that governing the offering of sales to the public. This component of the program will outline the do's and don'ts for securities sales on crowdfunding platforms.

- *FTC and other regulatory requirements for Crowdfunding entrepreneurs*

In addition to the rules involved in crowdfunding, the various sales platforms also require that entrepreneurs fulfill their obligations for the sale of goods through compliance with FTC advertising regulations and with respect to the various intellectual property and publicity rights of third parties as well as meeting relevant compliance, privacy management, and data safeguards.

- *Business owner agreements and challenges regarding the use of crowdfunding resources on the structure of the enterprise*

The entrepreneurs using crowd financing often face unexpected internal challenges through the sale of their securities on the platforms. This component of the program will help entrepreneurs understand the best structures to maximize the benefits of crowd financing and avoid the common pitfalls.

About the presenters:

Sharon Kegerreis, a trial attorney with Berger Singerman, has extensive experience in a wide variety of litigation matters, including white-collar criminal cases, SEC enforcement proceedings, and other regulatory matters. She has handled internal investigations involving all aspects of corporate misconduct including bank fraud, accounting fraud, mail and wire fraud, Foreign Corrupt Practices Act violations, tax violations and bribery. She also advises companies on the design of corporate compliance programs related to money laundering, Patriot Act issues and the Foreign Corrupt Practices Act.

Steven Kass, Berger Family Fellow and Director of the Sharon and Mitchell W. Berger Entrepreneur Law Clinic, practiced as a business lawyer in Miami, Florida, primarily in the areas of corporate, securities, and insurance law. He previously served in the roles of Administrative Partner and Chief Financial Officer for Jorden Burt LLP. He also worked as a CPA (license no longer active) for both a public accounting firm and in private industry.

Susan Hayes Stephan, Associate Dean of Graduate and Online Programs who practiced law with a focus on entity formation, intellectual property rights, partnership and employment agreements, vendor contracts, workers' compensation, ecommerce transactions, and general corporate matters on behalf of individual and business clients. Stephan is an active member of the ABA Business Law section and Cyberspace Law Committee and past Chair of the Art and Entertainment Section of the Minnesota State Bar Association.

Jon M. Garon, Professor of Law and Director of NSU Law's Intellectual Property, Cybersecurity, and Technology Law program, who focuses his teaching and scholarship on business innovation and structural change to media, education and content-based industries. He is the author of five books and numerous book chapters and articles involving business, media, technology, and entrepreneurship. He has represented clients in the entertainment, finance, and health care sectors.