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Dear Sir/ Madam

Submission on ASIC Consultation Paper 288 “Crowd-sourced funding: Guide for public companies” (CP 288), and ASIC Consultation Paper 289 “Crowd-sourced funding: Guide for intermediaries” (CP 289)

Pozible is Asia-Pacific’s largest reward based crowdfunding platform and community building tool for projects and ideas. Launched in 2010, Pozible has since raised over \$55 million for more than 12,000 projects. Pozible is a major shareholder in Birchal, a new company which intends to apply for an Australian Financial Services (**AFS**) licence when the crowd-sourced funding (**CSF**) regime commences later this year.

Crowdfunding has grown tremendously since Pozible launched in 2010. We think there is enormous potential for equity crowdfunding, and are excited about the opportunities the CSF regime will create. A number of Pozible’s customers have been watching the developments in this space with keen interest, and intend to make CSF offers via the Birchal platform when the regime commences. Access to equity capital will be game changing for many of them.

We thank ASIC for the opportunity to comment on its proposed guidance in CP 288 and CP 289. We have reviewed the consultation papers and in a broad sense, consider the guidance to be helpful and relevant to issuers and intermediaries accessing the CSF regime. However, we submit several points below for consideration as part of the consultation process.

CP 289 - Proposals B8 and B9: Organisational competence

We generally agree with Proposal B8 stating that, because providing a crowdfunding service is a new AFS authorisation, Option 5 in Regulatory Guide 105 will be relevant and provide flexibility in demonstrating organisational competence. However, we consider the inherent subjectivity of Option 5 (in contrast to Options 1 to 4 which are objective) might mean the time and expense incurred in preparing submissions under Option 5 are greater than for Options 1 to 4.

We acknowledge Proposal B9 will assist applicants to assess whether they have the necessary organisational competence, and to prepare submissions under Option 5. We consider Proposal B9 potentially addresses the issue raised above in relation to Proposal B8. In particular, we welcome the inclusion of paragraph (e) of Proposal B9, which we understand will make experience operating a non-investment based crowdfunding platform relevant in considering organisational competence.

In addition to the experience outlined in Proposal B9, we consider it would be reasonable to additionally include experience acting as a legal adviser to AFS licensees, and providers of compliance services to AFS licensees, as experience relevant to considering organisational competence.

Attachment 1 to CP 289 - Fundraising involving managed investment schemes

We refer to proposed guidance in Attachment 1 to CP 289, at RG 000.21 - RG 000.23 which deals with fundraising involving managed investment schemes. In particular, we welcome the guidance at RG 000.23 that operators of managed investment schemes “need to take care in promoting their products as a form of crowd-funding, to ensure that investors do not confuse their product with CSF offers under the CSF regime.” We strongly agree that it is important to ensure that investors understand the nature of the investment that is being offered to them. We consider that some confusion already exists in relation to how crowdfunding is perceived by investors, and are hopeful that the commencement of the CSF regime will help in reducing this confusion.

If you would like to discuss any aspect of this submission further, please do not hesitate to contact Alan Crabbe or Matt Vitale.

Yours sincerely



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