Crowdfunding

Overview

Crowdfunding holds out the promise—or threat—of revolutionizing how funds for projects or businesses are raised. Managing the complexities of this emerging method of raising capital requires experience in multiple disciplines, including securities, tax, financial services and e-commerce.

Dentons' specialized team of lawyers has invested time in understanding how crowdfunding works now, and how it might evolve in the future. Clients consult us on a wide range of crowdfunding legal issues, including:

- Businesses establishing novel models for equity crowdfunding
- Securities brokers and dealers adopting or enhancing Internet-based platforms
- Portals for non-equity crowdfunding, such as platforms that offer donation, reward and/or pre-sale models
- Financial service institutions and new entrants interested in peer-to-peer lending
- Accelerators, incubators, angel organizations and startups creating portals or raising funds through crowdfunding
- Support organizations that provide back office and other services to crowdfunding portals

Our expertise spans multiple disciplines:

Securities

Equity crowdfunding includes both online "matchmaking" platforms geared to accredited or qualifying investors and emerging models for offerings to retail investors. More broadly, equity crowdfunding encompasses the use of the Internet to offer securities, solicit investors or advertise offerings. Dentons' crowdfunding team gathers senior lawyers who have been closely involved in the ongoing development of relevant securities regulation. In jurisdictions where forms of equity crowdfunding are already legal, we advise on local licensing and compliance requirements.

Tax

Crowdfunding of any kind involves complex tax issues, especially in cases where funds cross borders. The tax lawyers on our crowdfunding team understand these issues, which include income tax, charitable donations, sales tax and cross-border withholding tax considerations.

Financial Services

From interactions with payment processors to money laundering compliance, our financial services group helps you navigate the myriad money services issues associated with crowdfunding.

E-commerce

Dentons' seasoned team advises on all aspects of e-commerce: marketing and advertising in online media, anti-spam and privacy laws, specialized terms and conditions for crowdfunding portals, and more.

Recognizing that the Internet has no borders, we have established a team that can provide a global view on...
crowdfunding and related regulatory regimes.

Your Key Contacts

Asia Pacific

Gordon Ng
Partner, Hong Kong
D +852 2533 3632
gordon.ng@dentons.com

Canada

Don (Donald) F. Luck
Partner, Toronto
D +1 416 863 4654
don.luck@dentons.com

Andrea C. Johnson
Partner, Ottawa
D +1 613 783 9655
M +1 613 614 0292
andrea.johnson@dentons.com

Europe

Robert Michels
Office Managing Partner,
Frankfurt
D +49 69 45 00 12 388
robert.michels@dentons.com

United Kingdom

Jeremy Cohen
UKME Chief Executive
Officer and Partner, London
D +44 20 7246 7371
jeremy.cohen@dentons.com

United States

Ira L. Kotel
Partner, New York
D +1 212 398 5787
ira.kotel@dentons.com

Stafford Matthews
Office Managing Partner,
Silicon Valley
D +1 650 798 0380
M +1 415 815 9850
stafford.matthews@dentons.com