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October 9, 2026

Via Electronic Submission

Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: File No. 4-914 — Third Supplemental Submission of Crowdfund Capital Advisors, LLC

Dear Ms. Countryman:

Crowdfund Capital Advisors, LLC ("CCA") is the petitioner in File No. 4-914, Rulemaking Petition to Amend Regulation Crowdfunding Offering Limits (docketed July 13, 2026; supplemented July 15, 2026 and August 21, 2026). This third supplemental submission does four things: it responds to the public comment record, which now stands at ten letters, nine of them supportive; it makes explicit the conforming Exchange Act relief — Rule 12g-6 and the Section 12(g) thresholds — that two commenters have asked the Commission to pair with the requested cap increase; it places new empirical evidence on the record, on bases distinct from the figures previously filed; and it notes developments in the Commission's own rulemaking program since our August 21 submission that bear directly on the petition.

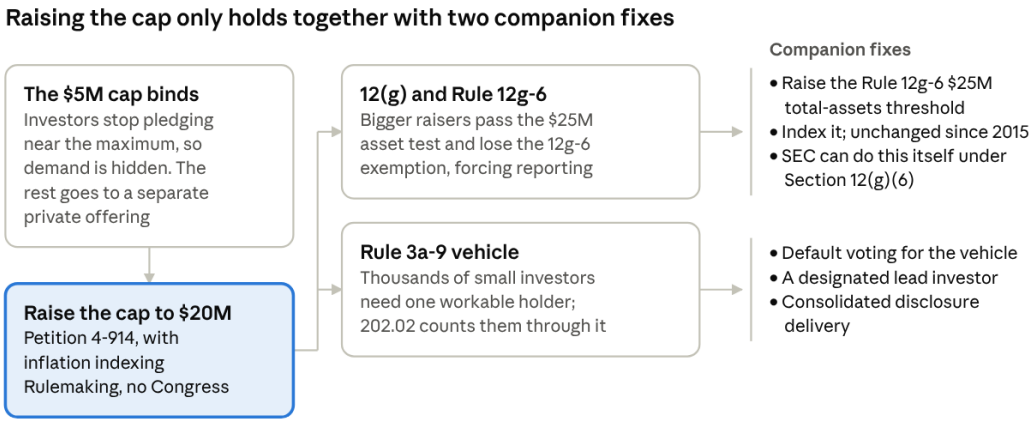

Figure 1 reads left to right: the binding cap is the cause; raising it to $20,000,000 is the relief requested; and the two companion fixes — the Section 12(g)/Rule 12g-6 thresholds and the Rule 3a-9 vehicle amendments — are what make the relief durable.

I. The Commission Should Conform Rule 12g-6 and the Section 12(g) Thresholds When It Raises the Offering Limit

Raising the offering limit to $20,000,000 without conforming the related Exchange Act thresholds would hand successful issuers a new problem at the moment the old one is solved. CCA therefore asks the Commission, in any rulemaking granting the petition, to amend Rule 12g-6 to raise its $25,000,000 total-assets condition to a level consistent with a $20,000,000 annual offering limit, and to index that condition to inflation on the same schedule as the offering limit itself.

The need is already visible at the current cap. As reported in our July 15, 2026 supplement, 279 Regulation Crowdfunding issuers have passed 2,000 holders of record, 11 issuers currently meet both Section 12(g) triggers, and 73% of those reached that position through repeat offerings — the same repeat-offering behavior the current cap compels. A $20,000,000 raise at the investor-accumulation rates reported in that supplement would routinely carry issuers past the Rule 12g-6 asset condition, converting the exemption's successes into involuntary Exchange Act registrants.

The comment record asks for this relief. DealMaker (Oct. 2, 2026) requests that the Commission raise the Rule 12g-6 total-assets threshold and index it to inflation, and further requests conforming treatment of the Rule 12g5-1(a)(7) public-float threshold. The Small Business & Entrepreneurship Council (Sept. 30, 2026) likewise asks that "the offering limit, the Rule 12g-6 asset threshold, and the Section 12(g) holder thresholds… be conformed and indexed together." CCA supports both formulations. This relief is conforming, not expansive: it preserves the boundary Congress and the Commission drew between exempt crowdfunding issuers and Exchange Act reporting companies, at dollar levels that keep pace with the offering limit.

For the same reason, the Rule 3a-9 amendments described in our July 15 supplement — default voting mechanisms with reasonable notice, a designated lead investor or manager, and consolidated disclosure delivery — remain a necessary companion. We note DealMaker's additional suggestion that a compliant crowdfunding vehicle be treated prospectively as a single holder of record for Section 12(g) purposes, which would address the holder-count pressure at its source.

II. The Comment Record Supports the Petition, and the One Opposing Letter Rests on Figures That Describe a Different Population

Ten comment letters are on file. Nine support the petition, and they span the market's perspectives: a registered intermediary (DealMaker), a national small-business advocacy organization (SBE Council), an angel-market services firm (Angelspan), a marketing agency serving issuers (The Aebli Group), a Regulation Crowdfunding issuer (Careverse), and individual investors. The supportive letters converge on the same point from different directions: the cap no longer binds risk — it fragments capital formation.

The opposing letter, from Shane Liddell (Sept. 17, 2026), deserves a direct answer. Its central empirical claim is that median target amounts of roughly $500,000–$800,000 show the market neither needs nor wants a $20,000,000 limit. The claim is accurate about the median issuer and irrelevant to the petition. A cap is not experienced at the median; it is experienced at the margin. Nor do blended medians describe the demand at issue. Regulation Crowdfunding serves two distinct populations: Main Street businesses financing operations through debt and revenue-share instruments, and venture-track companies raising through equity and convertible instruments. When the limit rose to $5 million in March 2021, the median realized raise among funded venture-track offerings increased by roughly a quarter, while the Main Street cohort's did not rise — when the Commission added room, the cohort the cap concerns used it.[1] A blended median averages these two markets and describes neither, and both raise under the same disclosure, investment limits, and intermediary oversight. And a higher limit compels no one: the median issuer would go on raising what the median issuer raises, while the limit matters only to the subset of issuers whose demand already presses against it. The issuers the petition concerns are the ones the data show pressing against the limit: as stated in the petition, 40.3% of issuers that approached the cap returned for follow-on offerings, at a median of 20 months, raising more than $214 million after first approaching it. Section III below adds new evidence, on a separate basis, that this near-cap population behaves unlike the median issuer Mr. Liddell describes.

The near-cap cohort also understates the demand at issue, because a binding cap suppresses entry, not only completion. A company that knows it must raise $8 or $12 million never files the Form C that would make it visible in anyone's data; it goes directly to Regulation D, and no dataset records the choice. The comment record already shows where that boundary sits: as DealMaker's letter notes, PitchBook-NVCA data place the median seed round at $3.0 million and the median Series A at $19.6 million — the current limit ends almost exactly where institutional round sizes begin, excluding from the exemption the later-stage, revenue-generating companies whose participation would further strengthen the quality of offerings. The issuers pressing against the cap are the proof of the constraint, not the whole of it; the growth a $20 million limit would produce lies principally in the cohort that never entered.

Second, the letter argues that companies needing $20,000,000 already have Regulation A+, Regulation D, and venture capital. The record shows what actually happens: as reported in our August 21 supplement, 323 offerings ran contemporaneous Rule 506(c) raises totaling $422.6 million. The capital is raised either way — the cap determines only whether it is raised inside the intermediated, FINRA-supervised, fully disclosed channel or outside it. DealMaker's letter corroborates this from its own platform records: every one of its 11 near-cap issuers returned to market, and TerraCycle, after raising 99.8% of the cap, raised a further $6.0 million in a Regulation A+ offering. We add one observation about measurement: because offerings are conducted online and investors can see when an offering approaches its maximum, refund and

[1] CCLEAR data as of October 8, 2026. Realized raise defined as cumulative commitments per offering, net of amounts previously counted in prior offerings; funded offerings are those closing above their stated minimum target. Venture-track comprises equity, SAFE, Crowd Note, and convertible instruments; Main Street comprises debt, revenue-share, and LLC membership-unit instruments. Pre-2021 n=1,839 and 517; current-regime n=3,684 and 1,489, respectively.

oversubscription figures understate turned-away demand — investors who can see a full offering simply do not commit.

Third, on investor risk, the per-investor limits of Rule 100(a)(2) are untouched by the petition. The investor-accumulation data in our July 15 supplement show median commitments of $674 in the smallest offerings rising to $2,410 near the cap; DealMaker reports an average commitment of roughly $2,300 regardless of offering size. The offering limit governs issuer capacity, not individual exposure.

Finally, Mr. Liddell suggests that if larger offerings are permitted, disclosure should scale with them. That is a reasonable subject for the rulemaking the petition requests. It is an argument for granting the petition and proposing — where scaled financial-statement, use-of-proceeds, and valuation disclosure can be put to notice and comment — not for denying it.

III. New Empirical Evidence

The three findings below are new to this docket. None restates or updates a figure previously filed; each is presented with its own basis, window, and as-of date. All are drawn from CCA's CCLEAR database of Regulation Crowdfunding offerings, as of October 8, 2026.

A. Regulation Crowdfunding finances companies where venture capital does not go. Of $2.908 billion in funded Regulation Crowdfunding capital that can be assigned to a metropolitan area (99.3% of all funded capital), $1.82 billion — 62.6% — went to companies outside the Boston, Los Angeles, San Francisco, and New York metropolitan areas, which together receive the large majority of U.S. venture capital. By company count, 4,045 of 6,102 geocoded funded companies sit outside those four metros. Basis: all funded offerings, May 2016 through October 8, 2026. The suggestion that issuers denied room under the cap can simply raise venture capital assumes a geography of venture capital that does not exist for most of these companies.

B. Repeat issuers return to market at higher stated terms, and investors choose to buy in at them. Among the 722 issuers with two or more offerings carrying a stated valuation or valuation cap, the median for the latest offering is 1.54x the first (570 higher, 85 flat, 67 lower); on consecutive offering pairs (n=1,119), the median step-up is 1.33x (827 up, 133 down). These series mix priced rounds with SAFE and convertible-note valuation caps; a cap is a negotiated ceiling, not a priced valuation, and the Commission should read these figures as directional evidence of issuer progression rather than as marked prices. What they establish is narrower but sufficient: issuers set successively higher terms, and investors, free to decline, continue to commit capital at them. Basis: issuers with two or more offerings stating a valuation or valuation cap, through October 8, 2026.

C. Issuers that set their offering maximum at the cap return to market at roughly 2.5 times the rate of all other issuers. Among issuers whose first funded offering under the current $5,000,000 limit stated a maximum within 2% of that limit (n=267), 28.8% have already conducted a follow-on offering, against 11.3% of all other issuers (n=2,588). Restricted to issuers observable for a full 24 months, the rates are 33.0% versus 11.9%. Basis: offerings conducted under the $5,000,000 limit in effect since March 15, 2021, indexed to each issuer's

first funded such offering, through October 8, 2026.[2] Setting the maximum at the cap is a statement of intended raise size; the behavior that follows confirms it. The cap is not a ceiling these issuers happen to sit under — it is a constraint they organize around.

IV. The Commission's Own Rulemaking Program Since August 21 Confirms the Petition's Premise

Two developments since our August 21 submission bear on the petition, and both point the same direction.

First, in Regulation Crypto Assets (Release No. 33-11434, 91 Fed. Reg. 54510, Aug. 21, 2026), the Commission proposed a fundraising exemption permitting retail participation in offerings of up to $75,000,000 per 12-month period, alongside a startup exemption of $5,000,000 over four years with principles-based narrative disclosure. CCA takes no position here on that proposal's merits. But the asymmetry it would create is stark: an issuer of crypto investment contracts could raise $75,000,000 from retail investors, while an operating company selling conventional securities through a FINRA-member funding portal — with Form C disclosure, per-investor limits, and intermediary oversight — would remain capped at $5,000,000. If $75,000,000 retail-facing offerings are appropriate there, a $20,000,000 limit in the most supervised retail channel the federal securities laws provide is conservative.

Second, on September 30, 2026, the Commission voted unanimously to propose three rulemakings expanding responsible retail access to private markets, including new non-financial pathways to accredited-investor status. The Commission's stated policy direction — that retail investors should participate in private-market growth under appropriate safeguards — is the petition's premise. Regulation Crowdfunding is the channel Congress built for exactly that participation.

We note finally that "Updating the Exempt Offering Pathways" (RIN 3235-AN42) remains on the Commission's agenda for October 2026. As the SBE Council's letter observes, the relief requested in this petition can be granted through that rulemaking. We ask only that it be included.

V. Conclusion

CCA renews its request that the Commission amend Rule 100(a) of Regulation Crowdfunding to raise the offering limit to $20,000,000 per 12-month period, indexed to inflation, under the authority of Securities Act Sections 28 and 19(a) as set out in our August 21, 2026 submission; adopt the Rule 3a-9 amendments described in our July 15, 2026 submission; and conform Rule 12g-6 and the Section 12(g) thresholds as described in Section I above. The comment record is now before the Commission: nine of ten letters — from intermediaries, advocacy organizations,

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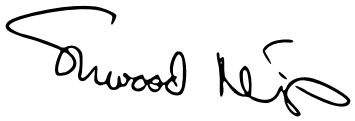
[2] This cohort and metric differ from the near-cap figures in the petition. The petition's 40.3% figure measures issuers that raised approximately $4–5 million in a single offering and later returned for follow-on Regulation Crowdfunding offerings, over the full history of the exemption. The figures here define the cohort by stated offering maximum, under the current limit only, indexed to the first funded offering. The two measurements are constructed on different bases and are not comparable; neither updates the other.

issuers, and investors — support the petition, and the one opposing letter raises concerns the requested rulemaking itself is the proper forum to address.

CCA remains available to the Commission and its staff to discuss the analysis and findings in this and prior submissions.

Respectfully submitted,



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