

# Why Regulation Crowdfunding?



Raise Green

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While crowdfunding has existed for decades in the form of donation crowdfunding sites like GoFundMe, Regulation crowdfunding is a innovative financial tool simplifying project finance. Reg CF helps **connect impact-driven investors with projects and companies** in need of funding. Through an SEC-registered intermediary called a funding portal, these projects and companies can sell securities to the wider public, a previously untapped market for early-stage financing. With access to thousands of investors passionate about green infrastructure and community resilience, Raise Green is the funding option for companies and projects aiming to create social and environmental change.

Retail investors, accredited investors, and institutional investors may all participate in Reg CF offerings. The sale of these securities can provide much-needed funding for projects and companies, while also greatly increasing the awareness of, and public support for, such projects and organizations.

Created in 2015 under the JOBS Act, Reg CF (Section 4(a)(6) of the Securities Act of 1933) can now be used by solar projects and climate tech companies to complement, or even replace, traditional financing models, such as angel investors, private equity funds, venture capital, and institutional lenders. This new and innovative tool is essential and effective for the fundraising process. Since 2015, **companies have raised over \$300M through Reg CF offerings**.

Reg CF offerings provide a new vein of project financing, in which investors can purchase a stake (e.g. debt, equity) in a business that excites them, providing **up to \$5M of funding per company per year**. This powerful new financial tool empowers companies with the flexibility to raise capital on their terms, retain project ownership, and leverage the rapidly-expanding movement of principle-driven retail investing.

## How does it work?

Project developers and business owners must decide which security type (equity or debt) best suits their financing needs. **Raise Green provides predefined corporate and financial structures, as well as offers guidance on custom financial models**. Once the terms of the raise are determined, project owners complete an Offering Memorandum with financial disclosures to comply with regulatory requirements.

The project is offered for investment on Raise Green's online marketplace, similar to an e-commerce platform. Over a customizable raise period (minimum 21 days), retail, accredited, and institutional investors will buy securities of the project.

## Why Raise Green?

Raise Green is the only US-licensed funding portal that exclusively works to finance projects and companies in the sustainability space: **community solar, microgrids, electrical vehicle infrastructure, community agriculture, energy efficiency, and battery deployments** — as long as social and environmental benefits are at the core of operations. With deep experience in corporate structuring, tax equity, and innovative finance, we offer a new and essential funding tool. Raise Green partners with each project on its marketplace to complete the required financial disclosures and regulatory processes, while also providing marketing services to amplify the reach and awareness of each funding campaign.

## Is Regulation Crowdfunding right for me?

If you have a project with contractual cash flow, Raise Green can simplify current and future funding by opening your project to public investment. By circumventing traditional financing processes, you can **raise capital more efficiently, with more control, while engaging public support and participation in the important work you do**. Paired with marketing services provided by Raise Green, the marketplace offering will cross the paths of thousands of principled investors driven to improve climate resilient infrastructure across the nation. Be at the tip of the spear of financial and environmental innovation, offering an answer to the demands of democratizing investments.

## Disclosure

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