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| <p>Who or what entities would be interested in Form 211 information? What is the level of interest in Form 211 information</p> |
| <p>Form 211 information would be useful to investors considering an investment in a newly quoted company, about which there is typically very little public information available.</p> |
| <p>What are the benefits of making Form 211 information publicly available? FINRA welcomes estimates on the number of investors who are anticipated to access and use Form 211 information.</p> |
| <p>One major benefit is to provide a central location where potential investors can obtain information about newly quoted issuers that is not otherwise readily available to the public. Investors who invest in low-priced securities typically strive to compile and read as much information as they can on newly quoted issuers. The additional information, if available from FINRA, will provide investors with the ability to make an informed decision to invest in newly quoted issuers and startup companies.</p> |
| <p>What are the potential uses of Form 211 information to investors and other market participants? FINRA seeks comment on the format (e.g., Form 211 scans, downloadable data files) in which Form 211 information should be made accessible through the repository.</p> |
| <p>In addition to making more information available about the company, it would give third party firms the ability to post comparative information about companies, including ranking companies on their attractiveness as an investment. Downloadable data files would be useful for companies desiring to compare issuers side by side.</p> |
| <p>Are there specific concerns by firms, issuers, investors or other parties regarding FINRA providing public access to Form 211 information</p> |
| <p>While most of the information provided in the 211 submission, i.e., financials, history of the company, officers, directors, control persons, etc. is information that is helpful to investors to make informed investment decisions, some of the information provided to FINRA as part of a 211 submission should not be made available to the public and should be redacted and from the repository. Specifically, personal financial data contained in the methods of payment by early round investors should not be disclosed in the portal.</p> |

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| Should all Form 211 information be provided in the repository or certain parts omitted or redacted? If the latter, which parts should be omitted or redacted and why? |
| As noted above, there are privacy concerns related to early round investor's personal financial information that is collected by FINRA as part of the submission. This information should be redacted. |
| Should any attachments (or links to the attachments, where available) that accompany a Form 211 also be made accessible through the repository? |
| With respect to "non-reporting and all other companies" ((a)(5)), FINRA should make available the complete Form 211 (with redaction of personal financial information addressed above) and the company's financial statements and information, which might not be otherwise readily available to the public. With respect to a reporting issuer, FINRA should make available the complete Form 211, (with redaction of personal financial information). For reporting issuers, the financial statements and public filings are already available to investors and attachment of the information would be redundant. A link to the EDGAR database might be helpful. With respect to a foreign issuer, FINRA should make available the complete Form 211, (with redaction of personal financial information). If the foreign issuer is listed on a foreign exchange, FINRA should provide a link to the database of financial statements and public filings, such as SEDAR (for Canadian listed companies). If the foreign issuer is not listed on a foreign exchange, the FINRA portal should also provide the company's financial statements and information, which might not be otherwise readily available to the public. |
| Should a firm's supplemental submissions in connection with a Form 211 filing be included as part of the Form 211 information repository? For example, a firm may submit additional documentation subsequent to its initial Form 211 filing in response to FINRA staff comments or to change its request for clearance to quote from an unpriced quotation to a priced quotation |
| The back-and-forth exchanges between FINRA staff and the Form 211 submitter are not relevant to a potential investor and need not be provided, as long as all of the documents filed in response to FINRA requests are included in the repository. This available information should include the firm's justification of its price quotation. |
| Are there risks associated with making non-current information available to investors through the repository? If so, should there be prominent disclosure to investors and other potential users of the website that the Form 211 information may be stale and, therefore, users should conduct further research on the issuer and security to assess whether additional and more current information is available? |
| Yes, there should be prominent disclosure of the fact the documents available from the repository are static documents and that the information contained in them is valid only as of a specific date. |

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| <p>Should the Form 211 be removed from the repository after a certain period of time or flagged to highlight that the information contained may be stale (e.g., after six months from the date of clearance)?</p> |
| <p>The information should be available for a period of one year from the date the filing is approved. If 211 filing information is maintained in the repository beyond one year, FINRA should include a prominent notice alerting investors to the fact that the information is stale and not applicable to current investment consideration.</p> |
| <p>Should FINRA consider adopting a requirement that firms file periodic updates to Form 211 information? If so, at what intervals should updating be required? In addition, should all of the applicable original Form 211 items of information be subject to the updating requirement?</p> |
| <p>No, the documents should remain static. A requirement of filing periodic updates to the FINRA repository by the 211 filer would cause an unfair advantage for piggy back market makers, and would impose an unreasonable burden on filers to track and monitor the financial status of an issuer indefinitely. For example, a 211 filer might subsequently drop its quote of a company's stock and no longer have an economic interest in the particular issuer. It would be unreasonable to expect that filer to continue to monitor and follow the issuer and be obligated to periodically update the 211 filing information. In the case of a reporting issuer, that company already has an obligation to report material events through SEC filings. If anything, the issuer, if not a publicly reporting company, could be required to update financial information, but this burden should not fall on the market maker or the initial submitter of the Form 211.</p> |
| <p>If FINRA were to adopt an updating requirement, should the original filing firm be required to fulfill the requirement? If the original filing firm no longer quotes the security, who should be required to update the Form 211 information?</p> |
| <p>The problem with adopting an updating requirement is addressed in the preceding comment. There should be no requirement imposed on the 211 filer to keep the information updated, and the fact that the information is valid only as of a certain date should be prominently disclosed on the site.</p> |
| <p>Are there firm or customer privacy concerns regarding making public any of the items of information contained on Form 211?</p> |
| <p>Yes, as noted above, proof of early investor payment documents provide bank account information and other personal financial information which should be redacted from the documents maintained in the repository.</p> |

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| <p>Are there firm liability concerns regarding making public any of the items of information contained on Form 211?</p> |
| <p>Yes, as noted above, proof of payment documents of early round investors contain bank account information and other personal financial information which should be redacted from the documents maintained in the repository. A firm that submits the Form 211 application on behalf of an issuer could face claims of liability for being responsible for the public disclosure of personal and private financial information. There is no purpose served in making this personal financial information available.</p> |
| <p>Should FINRA include in the repository Form 211 relating to both reporting and non-reporting companies (based upon the issuer's status at the time of the filing of the Form 211)?</p> |
| <p>All Form 211 filings should be available. And as stated above, with respect to "non-reporting and all other companies" (a)(5), FINRA should make available the complete Form 211 (with redaction of personal information addressed above) and the company's financial statements and information.</p> |
| <p>How many years' worth of historic data should the repository cover initially (e.g., one year of historic Form 211 information)?</p> |
| <p>There should not be a limit on the years' worth of historic data the repository should cover. However, if 211 filing information is maintained in the repository beyond one year, FINRA should include a prominent notice alerting investors to the fact that the information is stale and not applicable to current investment consideration. FINRA could also reference that reporting companies have an obligation to periodically report financial and material information, and provide a link to the EDGAR or other database to locate the current information. FINRA could also require non-reporting issuers that have filed a Form 211 to periodically update their financial information contained in the repository for purposes of Rule 144 requirements. In the event of more than one 211 filing by an issuer (for example, they drop off the Board and must file a new 211 application), all 211 filing information should be maintained, but the prior (and now stale) filing information should be so noted.</p> |
| <p>Are there alternative methods for FINRA to achieve the objectives of the proposed rule? If so, what are these alternatives and why are they better suited than the proposed rule?</p> |
| <p>The internet is available to all and would be the easiest and most efficient way to disseminate this information. FINRA should permit firms to scrape the information to provide analysis information interested parties.</p> |