



OICU-IOSCO

Crowdfunding: An Infant Industry Growing Fast

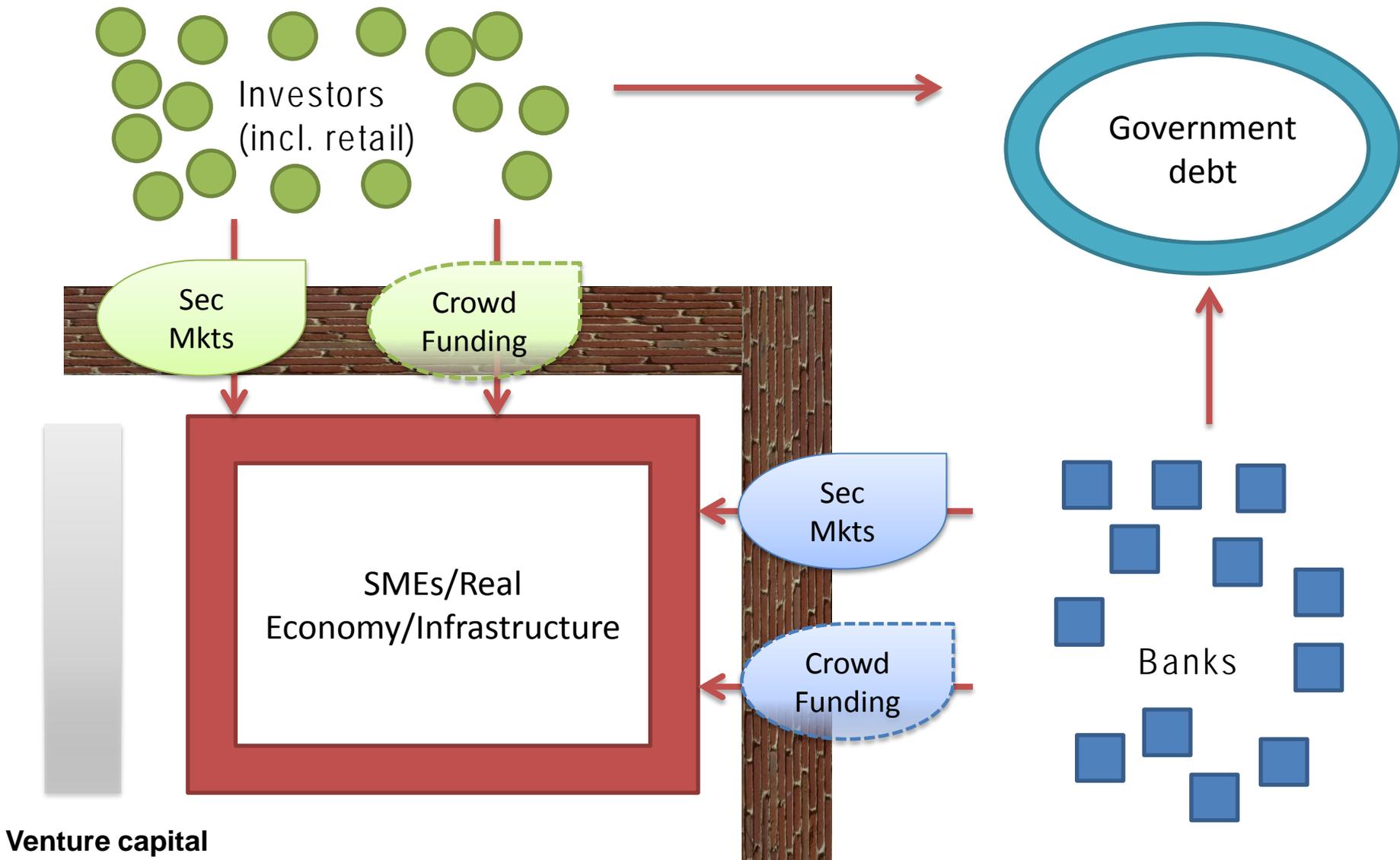
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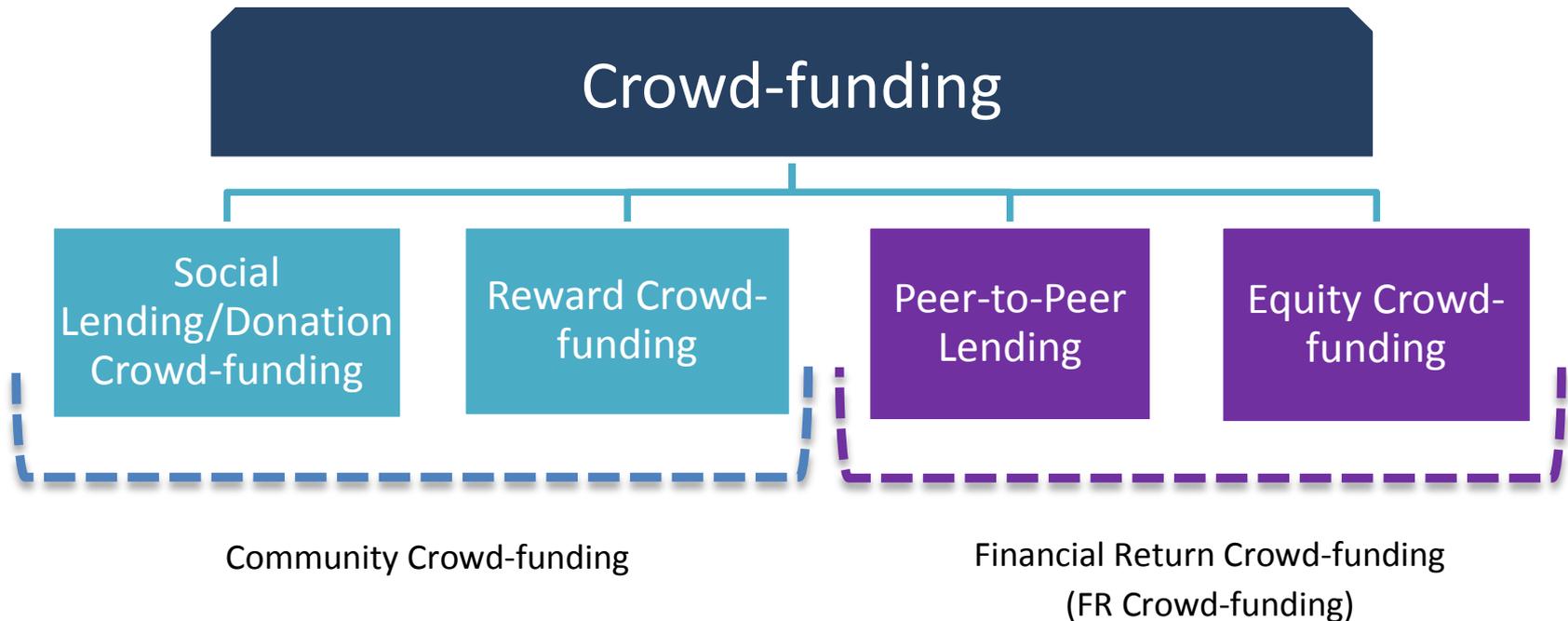
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The views and opinions presented in this presentation are of the presenter only and do not necessarily reflect the views and opinions of IOSCO or its individual members.

The information in these slides is based on the IOSCO Research Department Staff Working Paper entitled 'Crowdfunding: An infant industry growing fast', authored by Shane Worner and Eleanor Kirby and which can be found here: iosco.org/research

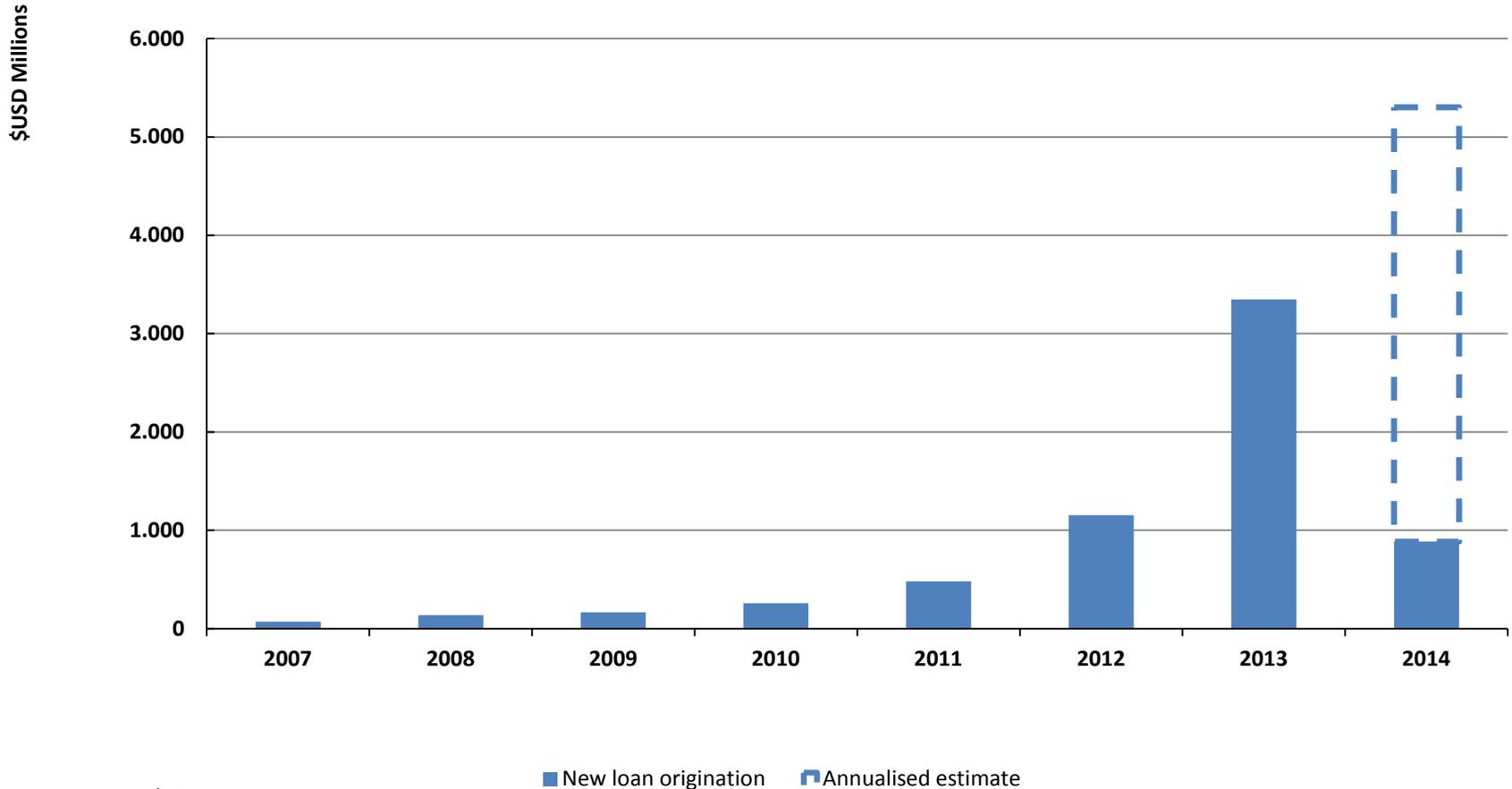


Crowd-funding: four sub-categories



Source: IOSCO Research Department

Global peer-to-peer new loan origination

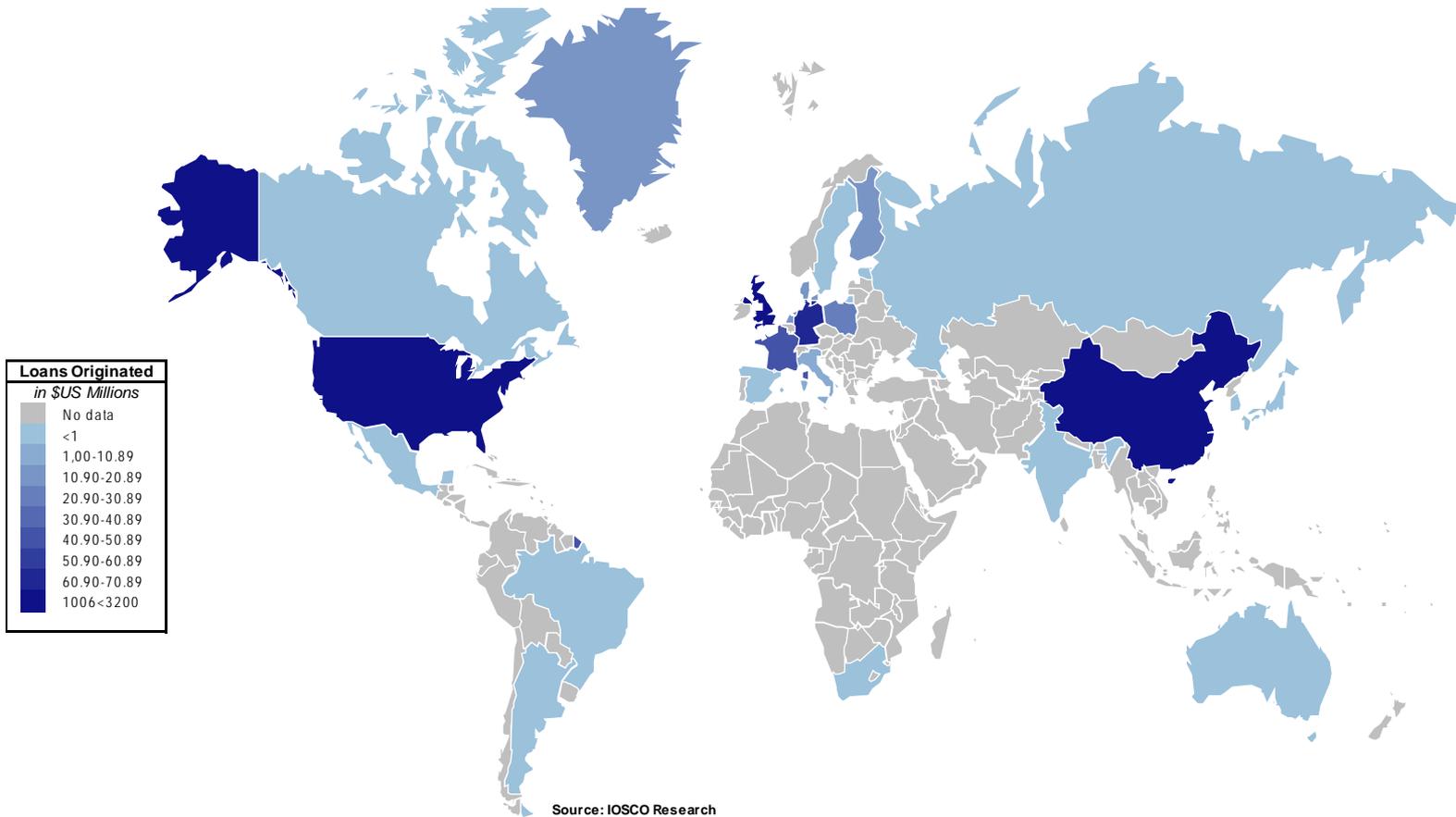


Data as at Feb-2014

IOSCO Research Department: Based on figures from selected peer-to-peer platforms within each country

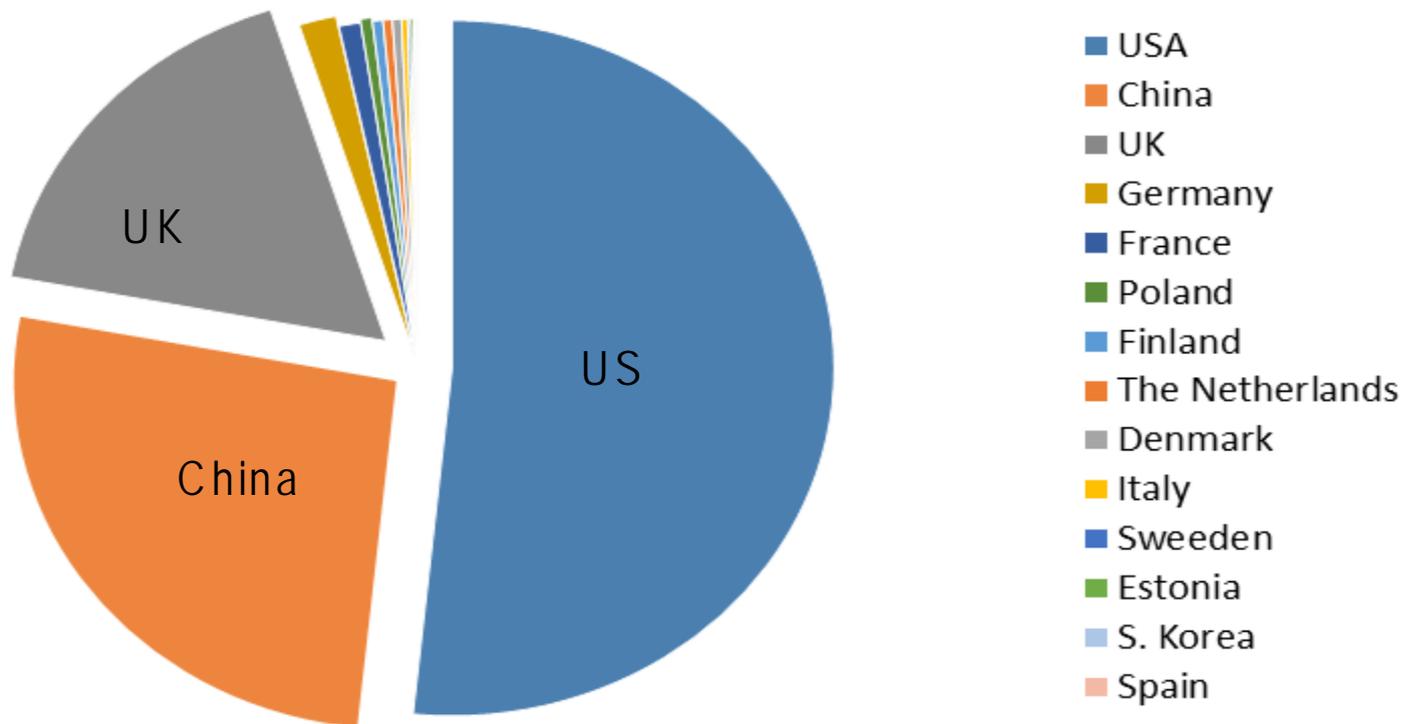
Notes: Peer-to-peer lending data is sourced directly from the websites of the largest providers. It therefore represents a lower bound estimate of the global loan pool.

Global Distribution of FR Crowd-funding Markets



Source: IOSCO Research Department. Based on data obtained directly from platforms, therefore represents the lowest estimated size for each country

Percentage of the peer-to-peer and equity crowd funding market by country



Source IOSCO Research Department: Based on figures from selected peer-to-peer platforms within each country

Notes: Peer-to-peer lending data is sourced directly from the websites of the largest providers. It therefore represents a lower bound estimate of the global loan pool.

Regulation of crowdfunding

- Investor Protection
- Mitigation of Risks



- Nurturing Industry
- Supporting Growth

Regulatory approaches around the world

Exempt or unregulated through
lack of definition

Regulated as a collective
investment scheme, intermediary
or as a banking activity

Prohibited

Special Status

Special status and specific regulatory frameworks

Investor /lender	Borrower	Platform
<ul style="list-style-type: none">• Caps on amount invested• Restrictions/definition of who can invest• Awareness and confirmation of awareness of risks	<ul style="list-style-type: none">• Thresholds• Light prospectus• Restrictions on types of borrowers• Strong national connections	<ul style="list-style-type: none">• Register for special status• Restrictions on type of model• Resolution frameworks and capital reserves• Transparency and disclosure rules

Looking forward – developments and challenges

- Cross border Crowdfunding
- Securitization
- Bitcoin Crowdfunding
- Whole loan investments

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- Whole loan investments and bank involvement



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