



yaratıcı projeleri için kitlesel fonlama "crowdfunding" platformu!

Are Licensed Equity Crowdfunding Platforms a Competitor of the Stock Exchange Markets?

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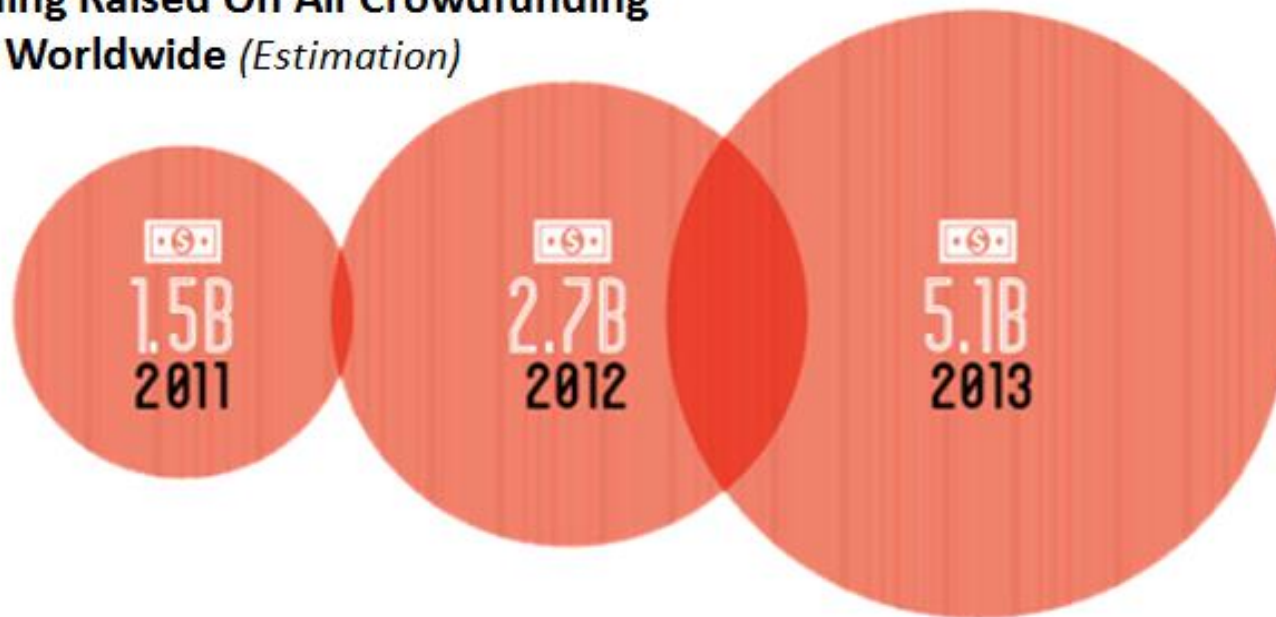
- **Venture Capital**
 - Average venture capital returns are relatively low in Turkey.
 - There is no international precedence of success.
 - Non-equity based funding and various other incentives provided by state institutions, such as TÜBİTAK, KOSGEB etc., are inadequate for startups to rapidly grow and compete on international level.
- **VC Funds**
 - The number of VC funds in Turkey is insufficient.
 - The cumulative experience across the ecosystem is below average due to lack of Turkish entrepreneurs who have worked with Silicon Valley VCs.
 - State Assessment Boards either disregard the inherent subjectivity of entrepreneurship by limiting the assessment to some generic bureaucratic formula or solely favor technical competence over business acumen.

Startup Funding

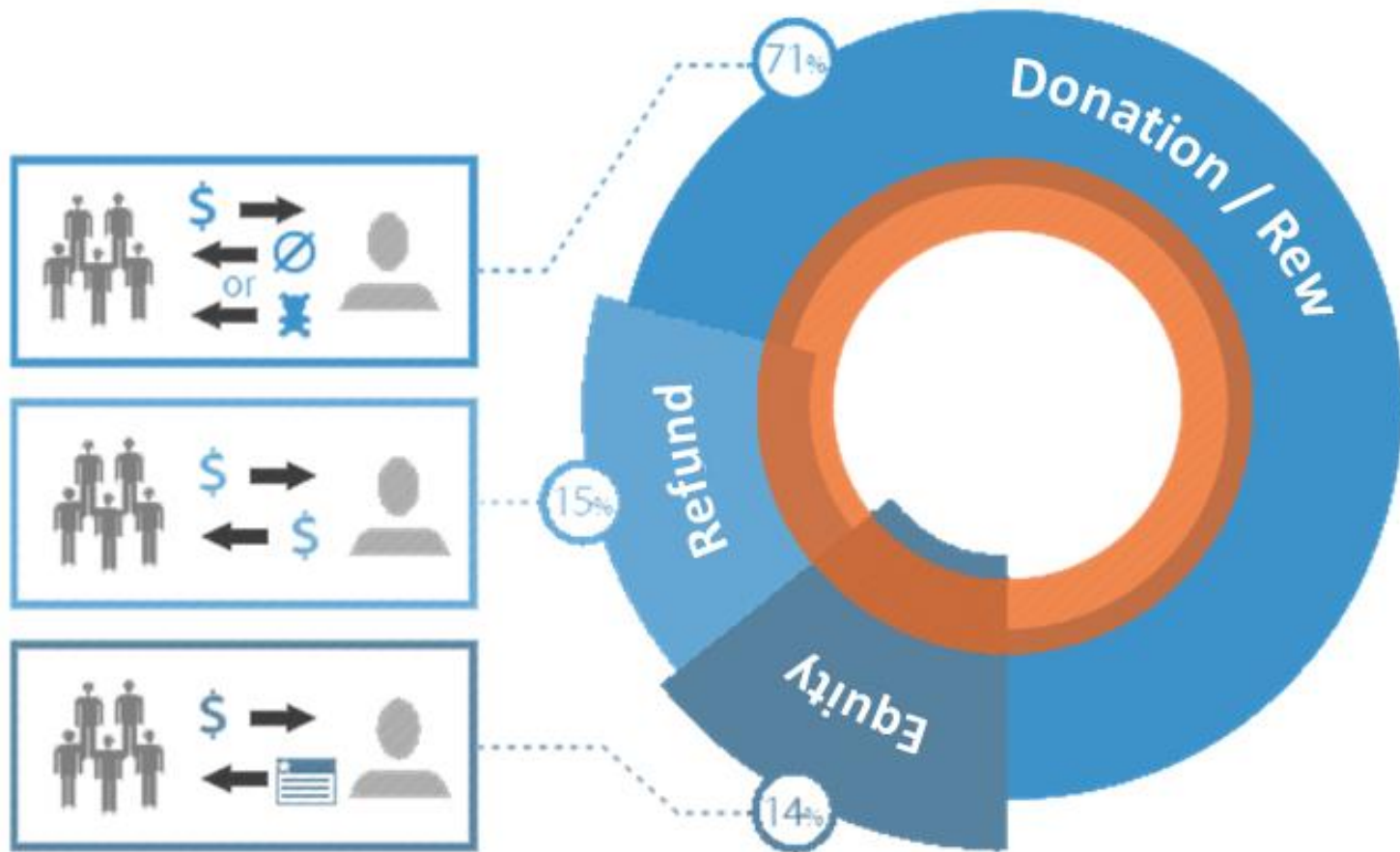


Crowdfunding is the practice of funding a project or venture by raising monetary contributions from a large number of people (typically via the internet) by offering them rewards, refund, equity or nothing at all (if the contribution was a donation) in return.

Total Funding Raised On All Crowdfunding Platforms Worldwide *(Estimation)*



Crowdfunding : Distribution



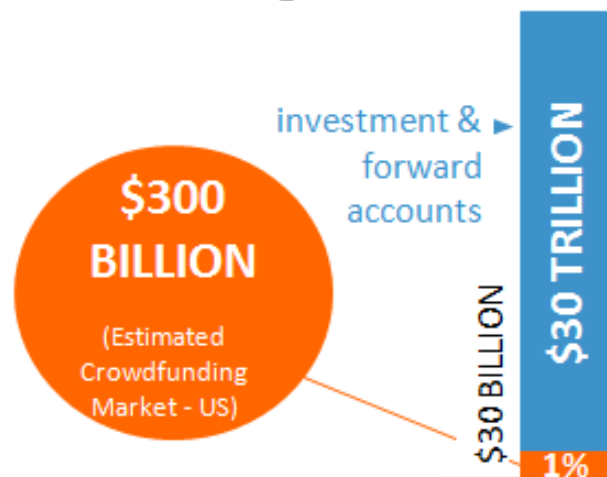
- ▶ Offering a **wide price range** on a large variety of products, crowdfunding has the potential to draw the attention of a significant number of private investors.
- ▶ Overcomes **geographical obstacles** between entrepreneur and investor while accelerating and streamlining otherwise tedious and slow investment processes such as due-diligence.
- ▶ Provides key pre-launch data about **potential demand** as well as **product recognition** across various markets.

Crowdfunding is an Ally rather than a Foe for Stock Markets!

JOB ACT!

- ▶ < \$100.000 Annual Income
 - ▶ \$2.000 / Or 5% of annual income
- ▶ > \$100.000 Annual Income
 - ▶ \$100.000 / Or 10% of annual income

Crowdfunding Potential in USA



UK – FAC (Financial Conduct Authority)

- ▶ Crowdcube
 - ▶ Accredited by the FCA in 2013.
 - ▶ October 2013: Raised over £13 Million and funded 71 projects.
- ▶ New regulations by the FCA as of April 1st, 2014.
 - ▶ In retail sector, companies will be able to offer these platforms only to investors meeting the following criteria:
 - ▶ Trained investors with high net worth, investor candidates with regulated training and accredited investors in investment firms.
 - ▶ Customers who provide written proof that they won't be investing more than 10% of their portfolio.



Legal Amendments

- ▶ «Public Fundraising» activities should be extended beyond currently authorized institutions.
- ▶ The process for small capital increase due to crowdfunding should be simplified.
- ▶ The pre-sale process of crowdfunding platforms should be defined as a special type of e-commerce and liberated from legal grey area.
- ▶ The legal limit on the number of shareholders in a limited company should be raised from 50 to 100, maybe even higher (TTK 573).



SPK Oversight

In order to support crowdfunding, SPK should;*

**SPK "Capital Markets Board of Turkey"*

- ▶ Define crowdfunding-specific processes clearly
 - ▶ Evaluate and authorize crowdfunding platforms
 - ▶ Establish a new department within CMB that keeps records of changing share structure of startups due to crowdfunding and acts as a guarantor for investor rights.
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- ▶ Grant tax exemption for culture & arts projects by extending the scope of incidental profits.
 - ▶ Consider granting a general tax exemption for all crowdfunding activities by including them in the scope of current R&D Support Programs.



Tax Advantage



Training &
Workshops

- ▶ KOSGEB Applied Entrepreneurship Training or TÜBİTAK Trainings within the scope of the 1601 Program:
 - ▶ Raising awareness among investors by explaining the risks and advantages of crowdfunding.
 - ▶ Educating entrepreneurs about effective online marketing tools, correct product positioning and right crowdfunding platform.



Supporting Tools

- ▶ Crowdfunding Online Tools
 - ▶ *Assessment: Do I have enough resources to conduct a successful crowdfunding campaign?*
 - ▶ *Access To Resources: How can I attract voluntary and professional support for my project?*
 - ▶ *Testing: How can I get feedback about my plan of action before I start my crowdfunding campaign?*

Thank You...



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*Supporting documents from

