

Central Bank of Ireland
PO Box 9708
Dublin 1

consumerprotectionpolicy@centralbank.ie

Crowdfunding Regulation

13 July 2021

To whom it may concern,

We write to you in relation to the consultation paper 141 'Marketing requirements' and wish to make a submission as one of the pioneering firms in this space and leading advocates of a regulatory regime.

Question 1: Do you support the proposal to apply national marketing requirements to Crowdfunding Service Providers ("CSPs"), as foreseen by the Crowdfunding Regulation?

We support the proposal to apply national marketing requirements to Crowdfunding Service Providers.

Question 2: Do you consider all of the proposed advertising requirements for CSPs are appropriate to the business model of CSPs. If not, please specify:

- 1. which provision is not appropriate and why; and**
- 2. whether the entire provision should not apply, or whether it could be amended to fit with the CSP business model.**

We believe the proposed advertising requirements for CSPs are generally appropriate to the business model of CSPs. However, we believe there should be some consideration for the limited space available in advertising through contemporary advertising channels such as Facebook and Google ads. It may not be possible to show the warnings upfront in the advertisements but to show immediately after a user clicks on the ad and before they see the detail of the CSP's investment offering.

Question 3:

Do you consider that there should be additional advertising requirements for CSPs, appropriate to their business model, in addition to those proposed here? If so, please provide details.

No.

Question 4:

Do you prefer Option A or Option B as the proposed warning to be required in advertisements? Please explain your reasons for this preference.

We believe Option B is a more comprehensive warning and provides a potential investor with a clearer picture of the potential risks to the investor's capital. Over the last 8 years that GRID has been operating it is clear that smaller investors require repeated and clear warnings to ensure that they fully understand the risks to their capital.

Should you have any further questions in relation to our response above please don't hesitate to contact us.

Your sincerely,



Derek Foley Butler

Chief Executive Officer