

# CROWDFUNDING MI

## Invest on Main Street



### **What if you could support your community by being an investor in a local business?**

Thanks to a new law, the Michigan Invests Locally Exemption (MILE) Act, now you can!

### **How MILE is changing the game:**

- MILE allows Michigan residents to help support Michigan entrepreneurs and small business by being part owners or lenders to Michigan businesses.
- Because the law allows for “investment” crowdfunding, this means you could also potentially receive a financial return on your investment.
- This is such a transformative new tool because it allows entrepreneurs and small businesses to get much needed funding from a previously unavailable source of significant local capital.
- MILE is a tangible way for Michigan residents to make a real difference in their local economy

### **Basic Facts:**

- MILE allows **ALL** Michigan residents to invest in Michigan businesses
- MILE allows non-accredited residents to invest up to \$10,000 in a single business one time per year
- MILE allows non-accredited investors to invest in as many businesses as they choose every year
- MILE allows new or existing Michigan businesses to raise up to \$1 million dollars from non-accredited Michigan investors if the company *does not* have audited financials and up to \$2 million dollars if the company *does* have audited financials
- MILE is easy to use and inexpensive for the business and investor

**MILE allows you to invest in what you know best:  
YOUR OWN COMMUNITY!**

**[www.CrowdfundingMI.com](http://www.CrowdfundingMI.com)**

## Key Investment Crowdfunding Definitions

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<b>MILE</b>	Michigan Invests Locally Exemption – an investment crowdfunding law enacted December 2013
<b>CROWDFUNDING</b>	Method of raising money where a large group of people donate or invest in a cause or business in order to support the cause or business
<b>CAPITAL</b>	Money
<b>INVESTMENT CROWDFUNDING</b>	Method of raising money for businesses where the crowd invests capital and may receive a financial return on the investment
<b>NON-ACCREDITED INVESTOR</b>	‘Regular’ investors who are not in the top 7% income and net worth
<b>ACCREDITED INVESTOR</b>	Wealthy investors in the top 7% income and net income and net worth
<b>EQUITY INVESTOR</b>	Investment results in owning a part of the business
<b>DEBT INVESTOR</b>	Investor loans money to business for prescribed return on investment
<b>REVENUE SHARE</b>	Investor loans money to business, and is repaid a percentage of ongoing revenues
<b>LARA</b>	Michigan State regulatory agency responsible for MILE processes – Licensing and Regulatory Affairs
<b>SEC</b>	Federal regulatory agency responsible for enforcing federal laws on investing – Securities and Exchange Commission