
 FLORIDA ATLANTIC UNIVERSITY	NEW COURSE PROPOSAL Undergraduate Programs		UUPC Approval <u>10/10/22</u> UFS Approval _____ SCNS Submittal _____ Confirmed _____ Banner Posted _____ Catalog _____
	Department Finance College Business <i>(To obtain a course number, contact erudolph@fau.edu)</i>		
Prefix FIN Number 4162	<i>(L = Lab Course; C = Combined Lecture/Lab; add if appropriate)</i> Lab Code	Type of Course <div style="border: 1px solid black; padding: 2px;">Lecture</div>	Course Title Crowdfunding
Credits <i>(See Definition of a Credit Hour)</i> 3	Grading <i>(Select One Option)</i> Regular <input checked="" type="radio"/> Sat/UnSat <input type="radio"/>	Course Description <i>(Syllabus must be attached; see Template and Guidelines)</i> This course covers the theory and practice of crowdfunding. Crowdfunding involves raising capital from many retail investors. The course covers equity crowdfunding, as well as peer-to-peer lending, donations and rewards-based crowdfunding. In addition to studying the economics and finance of crowdfunding, the course covers crowdfunding regulation. Note. This course has been offered for two times as a Special Topics course; and it is scheduled again in spring 2023.	
Effective Date <i>(TERM & YEAR)</i> Spring 2023	Prerequisites, with minimum grade* FIN3403		Corequisites None
		Registration Controls <i>(Major, College, Level)</i> None	
*Default minimum passing grade is D-. Prereqs., Coreqs. & Reg. Controls are enforced for all sections of course			
WAC/Gordon Rule Course <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No WAC/Gordon Rule criteria must be indicated in syllabus and approval attached to proposal. See WAC Guidelines .		Intellectual Foundations Program (General Education) Requirement <i>(Select One Option)</i> None General Education criteria must be indicated in the syllabus and approval attached to the proposal. See Intellectual Foundations Guidelines .	
Minimum qualifications to teach course PhD in Finance or related fields			
Faculty Contact/Email/Phone Doug Cumming/cummingd@fau.edu/-73995		List/Attach comments from departments affected by new course None	
Approved by Department Chair  College Curriculum Chair <u>Ethlyn Williams</u> College Dean <u>Paul Han</u> UUPC Chair <u>Ethlyn Williams</u> Undergraduate Studies Dean <u>Dan Meeroff</u> UFS President _____ Provost _____			Date <u>Sept 8, 2022</u> <u>9/21/22</u> September 26, 2022 <u>10/10/22</u> <u>10/10/22</u> _____ _____

Email this form and syllabus to mianning@fau.edu seven business days before the UUPC meeting.



FLORIDA ATLANTIC UNIVERSITY



FIN4162

Crowdfunding

xxxx

3 credits

XXXX

Prof. XXXXX YYYYY

Office: XXXXXX

Office hours: xxxx

Classroom: XXXX

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Course Description

This course covers the theory and practice of crowdfunding. Crowdfunding involves raising capital from many retail investors. The course covers equity crowdfunding, as well as peer-to-peer lending, donations and rewards-based crowdfunding. In addition to studying the economics and finance of crowdfunding, the course covers crowdfunding regulation. Prerequisite: a first course on the introduction to corporate finance.

Students will learn how to evaluate pitches from entrepreneurs and where to spot potential frauds. Students will learn how platforms operate and their services and fee structures. Students will learn how to design a crowdfunding investment pitch, how to value an entrepreneurial project, how to deal with investors and regulators, and how platforms work. Students will also learn crowdfunding regulation. Students will engage in case write-ups, presentations, weekly reading assignments and classroom discussions, and exams that will enable them to develop these skills.

Instructional Method

This is a fully online course accessible only through FAU's learning management system, Canvas. You must log into Canvas with your FAU ID and Password to access the materials and assignments in this course. If you do not know your FAU ID or Password, [contact OIT for help](#).

The course is organized into modules with due dates. Unless otherwise specified, each module begins on Monday at 12:00am, EST, and ends on Sunday at 11:59pm, EST. The course begins with the Start Here module, which will familiarize you with the organization and navigation of the course. You will open a new learning module to access the assigned reading materials, videos, presentations, and other relevant materials for each subsequent module.

To accomplish the objectives of the course, several methods of instruction will be used. The objectives will be achieved primarily through independent case analysis and recorded mini lectures. The cases assigned present descriptions of the actual problems and decisions facing financial managers in a variety of companies and industries. This course a **fully online** course. You will find your

assignments, learning resources such as readings, videos, weekly recordings of office hours, chat forums, etc. on Canvas. You will also submit any written assignments and links to recordings on Canvas. Contact with faculty, teaching assistants and classmates will happen primarily through Canvas too.

Class Time Commitment: This course requires significant time commitment in order for the student to be successful. This course has three (3) credit hours. For traditionally delivered courses, not less than one (1) hour of classroom or direct faculty instruction each week for fifteen (15) weeks per Fall or Spring semester, and a minimum of two (2) hours of out-of-class student work for each credit hour. Fully Online courses, hybrid, shortened, intensive format courses, and other non-traditional modes of delivery will demonstrate equivalent time and effort.

Prerequisites/Corequisites

Prerequisite: Principles of Financial Management (FIN 3403)

Course Objectives/Student Learning Outcomes

SLO.1 Demonstrate knowledge of the theoretical foundations of agency theory: 1) moral hazard, 2) adverse selection, 3) risk shifting, 4) hold up, 5) window dressing.

SLO.2 Explain the sources of information for international differences in country level cultural conditions and legal conditions.

SLO.3 Describe basic steps to analyze data, and the role of data analysis alongside case analysis.

SLO.4 Compare and contrast rewards crowdfunding to equity crowdfunding and crowdlending.

SLO.5 Describe the most important factors affecting rewards crowdfunding and equity crowdfunding success.

SLO.6 Explain the differences between keep-it-all versus all-or-nothing crowdfunding models.

SLO.7 Explain the differences between co-investment and nominee crowdfunding models.

SLO.8 Explain the role of distance in crowdfunding, and how crowdfunding democratizes access to capital.

SLO.9 Explain the types of frauds seen in crowdfunding, and factors that are common characteristics in fraud cases.

SLO.10 Discuss optimal design of public policy towards crowdfunding, including crowdfunding regulation

SLO.11 Explain the relevance of spillovers across different policy programs to public policy in entrepreneurial finance.

SLO.12 Explain the difference between “race-to-the top” versus “race to the bottom” regulatory changes

SLO.13 Explain how regulation affects entrepreneurial finance around the world

SLO.14 Explain how ICOs are a form of crowdfunding.

SLO.15 Explain the state of ICO regulation.

Course Evaluation Method

1) Short Case Reports (at least 2 pages, not more than 5) (3 written assignments):
(3 assignments at 10% each, total 30% of 100%):

For the Short Case Reports, the report must be no shorter than 2 pages and no longer than 5 pages, single spaced. The main body should comprise:

- a. Introduction/Background information – include relevant facts and issues on company. Competitors, industry; This will provide evidence that you have conducted additional research on the problem;
- b. Financial Analyses – Provide answers based on both qualitative and quantitative analyses to the questions related to each case as set out in each module.
- c. Recommendation/Solution – Provide one justifiable and realistic solution to the problem; explain the reasons behind the proposed solution; support this solution with justification and include relevant theoretical concepts as well as the results of your research.

Figures and tables could be placed in an appendix at the end of the paper but preferably incorporated in the body where appropriate. All figures and tables must be numbered and all pages, including pages with tables and figures must be numbered.

Preparation is key so please read all cases carefully. It is difficult for you to review the case if it hasn't been read and the solution (ie the crux of your report) is hidden in the problem description. As you read the case, it may help if you:

1. Identify the problem;
2. Think about the underlying causes of the problem;
3. Make an outline - this will help identify the main points when writing the report;
4. Examine cause-and-effect relations – try to explain why the problem occurred and which actions led to the reason for this problem;

A Soft copy of your Short Case Report will be uploaded to Canvas by 11.59pm on the Sunday of the week specified on Canvas. If you are unable to upload your assignment, please inform me as soon as possible. Late assignments without a prior arrangement are not accepted.

Short Case Report Assignment 1, Due Sept 18, 2022:

- a) On Indiegogo.com select 1 campaign; on Kickstarter.com select 1 campaign from the same industry (e.g., video games, cleantech, etc.). So in total: you pick 2 campaigns
- b) Identify and compare the project goals, length of text description, was a video used, length of video, how many pictures, entrepreneur team, comments on the campaigns, and any other pertinent features.
- c) Are your campaigns similar in terms of the features (goals, text length, etc.) relative to large sample evidence discussed in the readings?
- d) Specifically relate the information you identify to agency problems and signalling discussed in the Videos, chapter PPT files, and SSRN papers on the Canvas modules pages.
- e) Did the campaigns research their fundraising targets? Explain why or why not with reference to things discussed in the Videos, Chapter PPT files and SSRN papers linked to the Canvas modules pages.

Short Case Report Assignment 2, Due Oct 16, 2022

- a) Pick an equity crowdfunding campaign on crowdcube.com, seedinvest.com or one of the other equity crowdfunding webpages
- b) Describe the equity shares they offered and whether or not they issued voting rights

- c) Based on the available information, provide a valuation of the project (using the material in Chapter 8 Slides).
- d) Was the campaign successful? Did they achieve their goal? Explain why or why not with reference to things discussed in the Videos, Chapter PPT files and SSRN papers linked above, including signaling and agency problems
- e) What happened after crowdfunding? (if known)
- f) How does Crowdcube compare to other platforms in the U.K., and to platforms in Australia, Israel, and the U.S., and how might that have affected campaign success?

Short Case Report Assignment 3, Due Nov 13, 2022:

- a) If you were crowdfunding for a company in Boca Raton, which type of funding would you pick - marketplace ending, P2P lending, equity crowdfunding, or rewards crowdfunding?
- b) Explain the disadvantages and advantages of each type of crowdfunding in reference to your strategy and the particular company
- c) Specifically relate the information you identify to agency problems and signaling discussed in the Videos, chapter PPT files, and SSRN papers on the Canvas modules pages.
- d) Important: You can pick from a list 15 companies, for which I will provide their financial and other detailed information to you. You will need to sign an NDA because these are real companies.

2) Quizzes Online

(4 quizzes online 10% each, total 40% of 100%)

Quiz 1: Put online on Canvas on Aug 28 by 11.59pm, due online on Canvas on Sept 4, by 11.59pm, covers material in Modules 1-3 on Canvas

Quiz 2: Put online on Canvas on Oct 2 by 11.59pm, due online on Canvas on Oct 9, by 11.59pm, covers material in Modules 4-7 on Canvas

Quiz 3: Put online on Canvas on Oct 30 by 11.59pm, due online on Canvas on Nov 6, by 11.59pm, covers material in Modules 8-14 on Canvas

Quiz 4: Put online on Canvas on Nov 20 by 11.59pm, due online on Canvas on Nov 27, by 11.59pm, covers material in modules 15-20 on Canvas

The quizzes will be short answer format.

The quizzes are individual assignments.

If there is nontrivial overlap in the text across quizzes submitted by groups of students, then you will be automatically assigned a grade of “0” for the entire quiz.

3) Final Case Report (not less than 10 pages, not more than 20 pages) 1 written final (Individual Project): Due Dec 4, 2022

(30% of 100%).

Do either option 1 or option 2, not both.

OPTION 1:

Develop a full crowdfunding campaign (PPT presentation and writeup) for the company that you picked for Assignment #3. In the past, SBDC has offered awards for the best student project in this class that helps these companies. Further details are forthcoming.

OPTION 2:

- a) Go to <https://kickscammed.com/> (or use a similar source) and pick a rewards-based crowdfunding project. Explain why this project has been flagged as an actual or suspected scam or a fraud.

- b) Find the original campaign material for the project. For example, if you picked a kickstarter project, then locate that project's original kickstarter page. If the original page does not exist, then go back to step 1 and pick a different project for which the original campaign materials are still available online.
- c) On the same crowdfunding platform as your scam project, locate another project that is in the same industry, with roughly the same campaign size goal.
- d) Compare and contrast the characteristics of the fraud project with the comparable project you found in step 3. In particular, identify and compare the use and quality of text, use and quality of pictures and videos, the rewards offered and costs of those rewards, the number of reward levels, whether or not the campaign promoters have a social media presence, whether or not they were repeat backers, and any other dimension you feel is interesting for the cases at hand.
- e) Explain if you could see potential concerns with the fraud project prior to knowing it is a fraud, based on your analysis in Step 4.
- f) Explain if there is a role for regulation that would have better protected investors against the fraud. What would that regulation look like? Provide some specific details. And if there is existing regulation that can help investors here, what is that legislation and why is it helpful?
- g) Counterfactual analysis: suppose that the fraud rewards crowdfunding project was instead carried out as an equity crowdfunding project. Suppose that you are the perpetrator of the fraud that is leading the campaign. Provide a set of (made up) financial information on this hypothetical campaign that you would present to the crowd. Is your campaign goal the same? Which platform would you pick, and why? How much equity would you sell and what is the valuation of the project? Would you offer voting shares or non-voting shares? Explain why.
- h) Recreate the equity crowdfunding campaign with a PPT file. (max 30 slides)
- i) Explain how you would mitigate detection as a fraudulent equity crowdfunding offering.
- j) In view of your strategy, is the current regulation effective in protecting investors? Or explain how you would redesign regulation to protect equity crowdfunding investors.

Each write-up should include an executive summary (maximum length one page) outlining key issues with the campaign. The main body of the report must be **no shorter than 10 pages and no longer than 20 pages**, single spaced. The main body should comprise:

- Executive Summary –Identify the key problem and summarize the thesis statement in 1-5 sentences;
- Introduction/Background information – include relevant facts and issues on the campaign. Competitors, industry; This will provide evidence that you have conducted additional research on the problem;
- Analyses: a good report will likely refer to things that we have examined in the course, including but not limited to agency problems, signaling, valuation, surveillance and regulation, empirical evidence. Consider alternatives the campaign could have considered, and explain why some alternatives were rejected; these should be supported by both quantitative and qualitative analyses
- Recommendation/Solution –provide justifiable and realistic responses to the issues raised above. Explain the reasons behind the proposed solution; support this solution with justification and include relevant theoretical concepts as well as the results of your research.

Figures and tables can be placed in an appendix at the end of the paper, and will not count as part of the maximum page length. All figures and tables must be numbered and all pages, including pages with tables and figures must be numbered.

Preparation is key so please read all cases carefully. It is difficult for you to review the case if it hasn't been read and the solution (ie the crux of your report) is hidden in the problem description. As you read the case, it may help if you:

1. Identify the problem;
2. Think about the underlying causes of the problem;
3. Make an outline - this will help identify the main points when writing the report;
4. Examine cause-and-effect relations – try to explain why the problem occurred and which actions led to the reason for this problem;

A Soft copy of your Final Case Report will be uploaded to Canvas by 11.59pm on the Sunday of the week specified on Canvas. If you are unable to upload your assignment, please inform me as soon as possible. Late assignments without a prior arrangement are not accepted.

Course Grading Scale

In the table below, the impact of each task on your final grade for the course is indicated in the “% weight” column.

Assignment/Task	Quantity	% Weight	Total %	Author
3 Short Case Reports	3	10	30	Individual
4 Quizzes	4	10	40	Individual
Final Case Report	1	30	30	Individual, or Group (2-3)
			100%	

Total points	100-93	92.9-90	89.9-87	86.9-83	82.9-80	79.9-77	76.9-73	72.9-70	69.9-67	66.9-63	62.9-60	<60
Grade	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	F

Group Projects: You will be tasked with choosing to make up your own groups.. Group projects are assigned to encourage involvement, interdependence, and a fair division of labor among the group members.

Policy on Late Work and Extra Credit

Late assignments will not be accepted (unless there is an emergency). I do not assign or accept extra credit assignments.

Communication Policy

EXPECTATIONS FOR STUDENTS

Announcements

You are responsible for reading all announcements posted by the instructor. Check the course announcements each time you log in.

Email/Video Conferencing

You are responsible for reading all your course email and responding in a timely manner.

Course-Related Questions

Post course-related questions to the FAQ discussion board. This allows other participants with the same question to benefit from the responses. Also, make sure you review this forum prior to posting a question. Someone may have already asked and answered the question in previous posts.

INSTRUCTOR’S PLAN FOR CLASSROOM RESPONSE TIME & FEEDBACK

Email/Video Conferencing Policy

Except for weekends and holidays, the instructor will typically respond to email (Canvas inbox or FAU email) within 48 hours. You should ask course-related questions in the FAQ discussion board.

If you have questions of a personal nature, you should email the instructor.

Assignment Feedback Policy

The instructor will provide feedback on submitted assignments within one week of the submission date. Some assignments may require a longer review period, which the instructor will communicate to you.

Feedback Method: Please add details on how feedback will be delivered (automatic grading of quizzes, comments on assignments, rubrics, etc.)

Course-Related Questions Policy

Except weekends and holidays, the instructor will generally answer questions within 48 hours.

Electronic Communication Policy

In addition to the University's policy, please consider the following:

- Privacy, confidentiality, and security in all electronic communications.
- All electronic communication resources must be used for the course and in alignment with to the University mission.
- Prohibited use of false identity, false identity pseudonyms, or anonymous (sender's name or electronic identification is hidden).
- Access without consent.
- Disruption of services including introducing computer contaminants (viruses).
- Harassment of any kind.

Please see the Office of Information Technology's policies on [Cyber Security Awareness](#).

Communicating with the Instructor

Email cummingd@fau.edu. This is the best way to communicate. Students must use their FAU Email to interact with the instructor and the course's Canvas shell. Non-FAU emails will not be recognized/utilized by either the course's Canvas shell or the instructor. *If you email me, you must put the course name in the subject heading.*

1. *Virtual Office hours. Zoom. Mondays 10am to 11am*
2. *Make an appointment to meet in my office at KH147 Tuesdays, 2pm to 2:50pm*
3. *Online Discussions Forum in Canvas. This is to facilitate interaction between students and instructor as well as interaction among students.*
4. *Text me or call me on my mobile.*

Netiquette

Due to the casual communication common in the online environment, students are sometimes tempted to relax their grammar, spelling, and/or professionalism. Please remember that you are adult students and professionals—your communication should be appropriate. For more in-depth information, please see the [FAU statement on netiquette](#).

Policy on the Recording of Lectures

Students enrolled in this course may record video or audio of class lectures for their own personal educational use. A class lecture is defined as a formal or methodical oral presentation as part of a university course intended to present information or teach students about a particular subject. Recording by students of class activities other than class lectures, including but not limited to student presentations (whether individually or as part of a group), class discussion (except when incidental to and incorporated within a class lecture), labs, clinical presentations such as patient history, academic exercises involving student participation, test or examination administrations, field trips, and private conversations between students in the class or between a student and the lecturer, is prohibited.

Recordings may not be used as a substitute for class participation or class attendance and may not be published or shared without the written consent of the faculty member. Failure to adhere to these requirements may constitute a violation of the University's Student Code of Conduct and/or the Code of Academic Integrity.

Attendance Policy

Students are expected to attend all of their scheduled University classes and to satisfy all academic objectives as outlined by the instructor. The effect of absences upon grades is determined by the instructor, and the University reserves the right to deal at any time with individual cases of non-attendance. Students are responsible for arranging to make up work missed because of legitimate class absence, such as illness, family emergencies, military obligation, court-imposed legal obligations or participation in University-approved activities. Examples of University-approved reasons for absences include participating on an athletic or scholastic team, musical and theatrical performances and debate activities. It is the student's responsibility to give the instructor notice prior to any anticipated absences and within a reasonable amount of time after an unanticipated absence, ordinarily by the next scheduled class meeting. Instructors must allow each student who is absent for a University-approved reason the opportunity to make up work missed without any reduction in the student's final course grade as a direct result of such absence.

Counseling and Psychological Services (CAPS) Center

Life as a university student can be challenging physically, mentally and emotionally. Students who find stress negatively affecting their ability to achieve academic or personal goals may wish to consider utilizing FAU's Counseling and Psychological Services (CAPS) Center. CAPS provides FAU students a range of services – individual counseling, support meetings, and psychiatric services, to name a few – offered to help improve and maintain emotional well-being. For more information, go to <http://www.fau.edu/counseling/>

Disability Policy

In compliance with the Americans with Disabilities Act Amendments Act (ADAAA), students who require reasonable accommodations due to a disability to properly execute coursework must register with Student Accessibility Services (SAS) and follow all SAS procedures. SAS has offices across three of FAU's campuses – Boca Raton, Davie and Jupiter – however disability services are available for students on all campuses. For more information, please visit the SAS website at www.fau.edu/sas/.

Code of Academic Integrity

Students at Florida Atlantic University are expected to maintain the highest ethical standards. Academic dishonesty is considered a serious breach of these ethical standards, because it interferes with the university mission to provide a high quality education in which no student enjoys an unfair advantage over any other. Academic dishonesty is also destructive of the university community, which is grounded in a system of mutual trust and places high value on personal integrity and individual responsibility. Harsh penalties are associated with academic dishonesty. For more information, see <https://www.fau.edu/regulations/documents/chapter4/req4-001-6-7-22.pdf>.

Plagiarism Policy

Plagiarism takes many forms, including but not limited to:

- Direct copying (including 3 words in a row) without using quotations.
- Failure to use citations when an idea is not yours
 - Copying material without quotation marks is always plagiarism, even if you cite the source.

- Providing references in the reference section without using citations is still plagiarism.

As a student you are required to be aware of all types of plagiarism. For example, you must cite the textbook where you paraphrase a definition or concept from it. Failure to paraphrase and/or cite correctly your sources can result in dismissal from the class and the University. For Individual case reports, everyone must turn in their own individual paper which follows the correct APA formatting including proper referencing. If you are unsure about correct ways to paraphrase concepts and definitions, contact the campus academic advisor, or the Business Communications Department on the Boca Raton campus, for further assistance.

Anti-plagiarism Software

Written components of any assignment or project may be submitted to anti-plagiarism software to evaluate the originality of the work. Any students found to be submitting work that is not their own will be deemed in violation of the University's honor code discussed above.

Required Texts/Readings

Required: All Cumming and Johan 2019 Chapter slides and videos on Canvas, and all SSRN paper links (and other online links to papers indicated above) (The Cumming and Johan 2019 Crowdfunding textbook is NOT required – the slides are sufficient)

Encouraged: Any source of crowdfunding or entrepreneurial finance news, such as crowdfundinsider.com, Forbes, Economist, etc. And various crowdfunding webpages referred to throughout the slides.

Supplementary/Recommended Readings (if applicable)

You will be required to carry out your own external research related to your case studies.

Course Topical Outline

Course Components

Week 1 **Introduction to Crowdfunding**

- What is crowdfunding?
- Types of crowdfunding
- How does crowdfunding compare to other forms of entrepreneurial finance
- Where do crowdfunding services fit into the existing financial landscape?
- How will financial institutions adapt to or be replaced by crowdfunding's potentially disruptive innovations?
- When should entrepreneurs select crowdfunding?
- Motivations of the 'crowd' / 'funders' / 'investors'
- Market statistics

Read: Cumming and Johan (2019) Chapter 1 Slides

Watch: Cumming Chapter 1 Video

Week 2 **Agency Problems in Crowdfunding; Institutional Environments and Statistics**

- Types of securities
- Agency problems
- Mitigating agency problems
- National institutional conditions and country characteristics
- Statistical Methods

Read: Cumming and Johan (2019) Chapters 2 and 3 Slides

Watch: Cumming Chapters 2 and 3 Video

Quiz 1 Released on Canvas on Aug 28 by 11.59pm, Due on Canvas Sept 4 by 11.59pm

Week 3 **Rewards Crowdfunding**

- Introduction to Rewards Crowdfunding
- Rewards Cases
- Keep-it-All versus All-or-Nothing crowdfunding models

Read:

- Cumming and Johan (2019) Chapters 4 Slides
- Cumming, Douglas J. and Leboeuf, Gaël and Schwienbacher, Armin, Crowdfunding Models: Keep-It-All vs. All-Or-Nothing (2020). Financial Management, Available at SSRN: <https://ssrn.com/abstract=2447567>

Watch:

- Cumming Chapter 4 Video
-

Week 4 **Specific Types of Rewards Crowdfunding**

- Cleantech crowdfunding
- Crowdfunding to internationalize

Read:

- Cumming and Johan (2019) Chapters 6 and 7 Slides
- Cumming, Douglas J. and Leboeuf, Gaël and Schwienbacher, Armin, Crowdfunding Cleantech (March 29, 2017). Energy Economics, Forthcoming, Available at SSRN: <https://ssrn.com/abstract=2985703>
- Cumming, Douglas J. and Johan, Sofia A., Crowdfunding and Entrepreneurial Internationalization (November 28, 2015). N. Dai and D. Siegel, eds. Entrepreneurial Finance: Managerial and Policy Implications, The World Scientific Publishers, Chapter 5, Forthcoming, Available at SSRN: <https://ssrn.com/abstract=2711894>

Watch:

- Cumming Chapters 6 and 7 Videos

Submit Individual Case 1 by September 18, 11.59pm on Canvas

Weeks 5 and 6 **Equity Crowdfunding (I)**

- Cases, Valuation exercises, Governance Models

Read:

- Cumming and Johan (2019) Chapters 8 and 9 Slides
- Cumming, Douglas J. and Vanacker, Tom R. and Zahra, Shaker A., Equity Crowdfunding and Governance: Toward an Integrative Model and Research Agenda (January 17, 2019). Academy of Management Perspectives, Forthcoming, Available at SSRN: <https://ssrn.com/abstract=3317678>

Watch:

- Cumming Chapter 8 and 9 Videos

Quiz 2 Released on Canvas on Oct 2 by 11.59pm, Due on Canvas Oct 9 by 11.59pm

Week 7 **Equity Crowdfunding (II)**

- Signaling, Distance

Read:

- Cumming and Johan (2019) Chapters 10 and 11 Slides
- Ahlers, Gerrit and Cumming, Douglas J. and Guenther, Christina and Schweizer, Denis, Signaling in Equity Crowdfunding (February 12, 2015). Entrepreneurship Theory and Practice, Forthcoming, Available at SSRN: <https://ssrn.com/abstract=2564121>
- Guenther, Christina and Johan, Sofia A. and Schweizer, Denis, Is the Crowd Sensitive to Distance? — How Investment Decisions Differ by Investor Type (January 31, 2016). Small Business Economics, Forthcoming, Available at SSRN: <https://ssrn.com/abstract=2725463> or <http://dx.doi.org/10.2139/ssrn.2725463>

Watch:

- Cumming Chapters 10 and 11 Videos
-

Week 8 **Equity Crowdfunding (III)**

- Cash flow versus control rights; Democratization

Read:

- Cumming and Johan (2019) Chapters 12 and 13 Slides
- Cumming, Douglas J. and Meoli, Michele and Vismara, Silvio, Investors' Choices Between Cash and Voting Rights: Evidence from Dual-Class Equity Crowdfunding (November 15, 2018). Research Policy, Forthcoming, Available at SSRN: <https://ssrn.com/abstract=3351940>
- Cumming, Douglas J. and Vismara, Silvio and Meoli, Michele, Does Equity Crowdfunding Democratize Entrepreneurial Finance? (November 9, 2018). Available at SSRN: <https://ssrn.com/abstract=3281727>

Watch

- Cumming Chapters 12 and 13 Videos

Submit Individual Case Assignment 2 by Oct 16 11.59pm on Canvas

Week 9 **Lending Crowdfunding**

- Marketplace lending versus P2P lending

Read:

- Cumming and Johan (2019) Chapter 14 Slides
- Cumming, D.J., J. Hornuf (2019) Marketplace lending of SMEs
https://www.econstor.eu/bitstream/10419/215102/1/cesifo1_wp8100.pdf

Watch:

- Cumming Chapter 14 Video

Week 10 **Crowdfunding Regulation and Policy (I)**

- Crowdfunding versus fraudfunding
- Cases
- International differences in crowdfunding rules

Read:

- Cumming and Johan (2019) Chapter 15 Slides
- Cumming, Douglas J. and Hornuf, Lars and Karami, Moein and Schweizer, Denis, Disentangling Crowdfunding from Fraudfunding (January 4, 2020). Max Planck Institute for Innovation & Competition Research Paper No. 16-09, Available at SSRN: <https://ssrn.com/abstract=2828919>

Watch:

- Cumming Chapter 15 Video

Quiz 3 Released on Canvas on Oct 30 by 11.59pm, Due on Canvas Nov 6 by 11.59pm

Week 11-12 **Crowdfunding Regulation and Policy (II)**

- Crowdfunding rule setting as a race-to-the-bottom?
- How should rules and policy be designed in reference to other public policy initiatives for entrepreneurs?

Read:

- Cumming and Johan (2019) Chapters 16 and 17 Slides
- Cumming, Douglas J. and Johan, Sofia A., Demand Driven Securities Regulation: Evidence from Crowdfunding (September 2013). *Venture Capital: An International Journal of Entrepreneurial Finance* 15, 361-379 (2013), Available at SSRN: <https://ssrn.com/abstract=2296453>
- Cumming, Douglas J. and Johan, Sofia A. and Zhang, Yelin, Public Policy Towards Entrepreneurial Finance: Spillovers and the Scale-Up Gap (May 18, 2018). Available at SSRN: <https://ssrn.com/abstract=3108127>

Watch:

- Cumming Chapters 16 and 17 Videos

Submit Individual Case Assignment 3 by Nov 13 11.59pm on Canvas

Weeks 13-14 **Fintech Policy**

- Rules versus surveillance and enforcement
- Crypto crowdfunding

Read:

- Cumming and Johan (2019) Chapters 18 – 20 Slides
- Cumming, D.J., A. Schwienbacher, 2018. *Fintech Venture Capital* https://www.researchgate.net/profile/Armin_Schwienbacher/publication/326651747_Fintech_Venture_Capital/links/5cf117a2a6fdcc8475f9233b/Fintech-Venture-Capital.pdf
- Cumming, D.J., S. Johan, A. Pant Regulation of the Crypto-Economy: Managing Risks, Challenges, and Regulatory Uncertainty <https://www.mdpi.com/1911-8074/12/3/126/pdf>

Watch:

- Cumming Chapters 18 – 20 Videos

Quiz 4 Released on Canvas on Nov 20 by 11.59pm, Due on Canvas Nov 27 by 11.59pm

Week 15 **Submit Assignment 4 by Dec 4 11.59pm on Canvas**

Required Technology

Required technological skills

- Basic Skills in computer use
- Access to the internet
- Basic Canvas LMS skills
- Basic Skills for Office programs (word processing and presentation programs)

Required Software

- Microsoft 365 Suite [Link to download](#)
- Reliable web browser (recommended [Chrome](#) or [Firefox](#))
- Java – [Link to download](#) and/or [Link to verify Java](#) on your computer
- Adobe Flash Player: [Link to download](#)
- Mobile App: Instructions on how to download the Canvas App on an iOS device ([Link for iOS Instructions](#)) or Android device ([Link for Android instructions](#)).

Internet Connection

- Recommended: Broadband (high-speed) Internet connection with a speed of 4 Mbps or higher
- To function properly, Canvas requires a high-speed Internet connection (cable modem, DSL, satellite broadband, T1, etc.). The minimum Internet connection speed to access Canvas is a consistent 1.5 Mbps (megabits per second) or higher.
- To check your Internet speed, [click here](#).

Minimum Technical Skills Requirements

The general and course-specific technical skills a student must have to succeed in the course include but are not limited to:

1. Accessing the Internet.
2. Using Canvas (including taking tests, attaching documents).
3. Using email with attachments.
4. Creating and submitting files in commonly used word processing program formats such as Microsoft Office Tools.
5. Copying and pasting functions.
6. Downloading and installing software.
7. Using presentation, graphics, and other programs.
8. Posting and commenting in an online discussion.
9. Searching the FAU library and websites.

Computer Requirement - Basic computer specifications for Canvas [Link to Specifications](#) Operating System

- A computer that can run Mac OSX or Win 7.0 or higher.

Peripherals

- A backup option should be available to minimize the loss of work, such as an external hard drive, a USB drive, cloud storage, or your folder on the FAU servers.

Software

- Once logged in to Canvas, make sure your Internet browser is compatible.
- Other software may be required for specific learning modules. If so, the

necessary links to download and install will be provided within the applicable module.

Technical Support

In the online environment, technical issues are always possible (e.g., lost connection, hardware or software failure). Many of these occurrences can be resolved relatively quickly, but if you wait until the last minute before due dates, the chances of these glitches affecting your success are greatly increased; please plan appropriately. If a problem occurs, it is essential that you take immediate action to document the issue so your instructor can verify and take appropriate action to resolve the problem.

Most issues in Canvas can be resolved by clicking on the “Help” tab located on the menu bar.

Upon clicking the “Help” tab, you will be able to:

- Report a problem
- Search Canvas guides

Additional Technical Support

1. Contact the eLearning Success Advisor for assistance: 561-297-3590
2. If you can, take a Print Screen image of the monitor when the problem occurs. Save the image as a .jpg file. If you are unfamiliar with creating a Print Screen image, visit [Link to Print Screen Instructions](#).
3. Complete a Help Desk ticket ([Link to Help Desk](#)). Make sure you complete the form entirely and give a full description of your problem so the Help Desk staff will have the pertinent information in order to assist you properly. The process includes the following steps:
 - a. Select “Canvas (Student)” for the Ticket Type.
 - b. Input the Course ID.
 - c. In the Summary/Additional Details section, include your operating system, Internet browser, and Internet service provider (ISP).
 - d. Attach the Print Screen file, if available.
4. If you do not hear back from a Help Desk representative in a timely manner (48 hours), it is your responsibility to follow up with an appropriate staff member until a resolution is reached.
5. Once you have submitted a Help Desk Ticket, inform your instructor. Include all pertinent information of the incident (steps 3b-d above). Keep your instructor informed of the status.

Recommended Browsers

Canvas supports the latest two versions of the most widely used browsers. We have learned that Canvas works better with Google Chrome and Mozilla Firefox than with Internet Explorer. If Internet Explorer is currently your only browser, consider installing Chrome or Firefox.

We highly recommend updating to the **newest version** of whatever browser you are using as well as updating to the most recent Flash plug-in.

For more details, see [Which Browsers Does Canvas Support?](#)

Support Services and Online Resources

- [Center for eLearning and Student Success](#)
- [Counseling and Psychological Service \(CAPS\)](#)
- [FAU Libraries](#)
- [Freshmen Academic Advising Services](#)
- [Math Learning Center](#)
- [Office of Information Technology Helpdesk](#)
- [Office of International Programs and Study Abroad](#)
- [Office of Undergraduate Research and Inquiry](#)
- [Student Accessibility Services](#)
- [University Center for Excellence in Writing](#)