Five Things First-Time Equity Crowdfunding Investors Should Understand Before They Commit

Flow Society Authentic Gear Inc. publishes an investor education explainer alongside its live Regulation Crowdfunding offering

Union City, New Jersey Nov 23, 2026 (Issuewire.com) - Equity crowdfunding has made early-stage investing available to people previously shut out. It has not made early-stage investing safe. Flow Society Authentic Gear Inc., which is currently conducting a Regulation Crowdfunding offering through DealMaker Securities LLC, has published an investor disclosures page covering the rules, restrictions, and risks that apply to every offering of this kind.

The five points below are the ones that most often surprise people new to the format — a short guide to equity crowdfunding for beginners.

1. What is Reg CF equity crowdfunding?

Regulation Crowdfunding is an SEC exemption, effective since 2016, that lets a US company raise up to $5 million in a twelve-month period from investors of any income level. The raise must go through one registered funding portal or broker-dealer, and the company must file a Form C with the SEC that discloses its financial statements, ownership, risk factors, and planned use of proceeds. Those documents are public. If you are new to this, reading the Form C is the single most useful hour you can spend.

2. Reg CF investment limits apply to you, not just to the company

Non-accredited investors are capped on how much they can commit across all Reg CF offerings in any twelve-month period. If either annual income or net worth is below $124,000, the limit is the greater of $2,500 or 5% of the greater of those two figures. If both are $124,000 or more, the limit is 10% of the greater figure, up to a ceiling of $124,000. Accredited investors have no limit. The thresholds are adjusted periodically for inflation, and the cap aggregates across all issuers and all portals.

3. The Reg CF lock-up period is one year, with narrow exceptions

Securities bought through Regulation Crowdfunding generally cannot be resold for twelve months. The exceptions are resale back to the issuing company, to an accredited investor, as part of an offering registered with the SEC, or to a family member, a trust for the benefit of family, or in connection with death or divorce. After the lock-up expires, the practical constraint remains: these shares are not publicly traded, so there may simply be no buyer. Investors should expect to hold for years, with no guarantee of any return at all.

4. Commitments can be canceled, up to a point

An investor may cancel a commitment for any reason until 48 hours before the relevant deadline identified in the offering materials, and funds held in escrow are returned. Where a company conducts rolling closings, that window runs against each closing rather than a single end date. If a company does not reach its minimum target by the close of the offering, all commitments are canceled, and all committed funds are returned. Once the cancellation window closes, the commitment stands.

5. Nobody has vetted the opportunity for you

This is the point the disclosures make most insistently. The SEC does not pass on the merits of a Reg CF offering or on the accuracy of its documents. A registered intermediary conducts anti-money-laundering, identity, and bad-actor checks on the issuer and confirms it is a business in good standing, but it does not verify the issuer's claims, make investment recommendations, or endorse the company. Valuations in early-stage offerings are typically set by the company itself rather than by an independent appraiser. Flow Society Authentic Gear Inc.'s Form C states plainly that the company set its valuation, that it is not based on financial results, and that it was not independently appraised.

"The honest version of this pitch includes the parts that are not flattering," said Jonathan Mayer, President and co-founder of Flow Society Authentic Gear Inc. "These are speculative, illiquid shares in an early-stage company. If someone cannot afford to lose what they put in, the right answer is not to invest — in us or in anyone else at this stage."

Flow Society Authentic Gear Inc.'s full investor disclosures, covering investment risk, early-stage company status, valuation and liquidity risk, forward-looking statements and the role of the intermediary, are published at invest.flowsociety.com/disclaimer.

Legends and Contact

FORWARD-LOOKING STATEMENTS: This release contains forward-looking statements relating to the company, its business plan and strategy, and its industry. Words such as "estimate," "project," "believe," "anticipate," "intend," and "expect" identify forward-looking statements. These statements reflect management's current views and are subject to risks and uncertainties that could cause actual results to differ materially. Readers are cautioned not to place undue reliance on them. Any projections regarding anticipated financial or operational performance are hypothetical, are based on management's estimates, and have not been reviewed by independent accountants.

Equity crowdfunding investments in private placements, and start-up investments in particular, are speculative and involve a high degree of risk, and those investors who cannot afford to lose their entire investment should not invest in start-ups. Companies seeking startup investment through equity crowdfunding tend to be in earlier stages of development, and their business model, products and services may not yet be fully developed, operational or tested in the public marketplace. There is no guarantee that the stated valuation and other terms are accurate or in agreement with the market or industry valuations. Further, investors may receive illiquid and/or restricted stock that may be subject to holding period requirements and/or liquidity concerns. CLIENT NAME has filed a Form C with the Securities and Exchange Commission in connection with its offering, a copy of which may be obtained here:
https://www.sec.gov/Archives/edgar/data/0002124987/000187285626000183/flowsocietyformc.pdf

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provided by the Issuer or the Issuer itself. Contact information is provided for Investors to make inquiries and requests to DealMaker Securities LLC regarding Regulation CF in general, or the status of such investor's submitted documentation, specifically. DealMaker Securities LLC may direct Investors to specific sections of the Offering Circular to locate information or answers to their inquiry but does not opine or provide guidance on issuer-related matters.

About Flow Society Authentic Gear Inc.

Flow Society Authentic Gear Inc. is the custom apparel division of Flow Society (flowsociety.com), a sportswear and lifestyle brand known for lacrosse-inspired athletic wear. The company designs and produces custom collections for teams, schools, organizations, and cultural collaborators. Headquartered in Union City, New Jersey, the company is currently conducting a Regulation Crowdfunding offering through DealMaker Securities LLC.

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