

April 29, 2013

The Honorable Mary Jo White  
Chairman  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

Dear Chairman White,

We write as individuals and organizations that come from very different perspectives but who share a strong interest in JOBS Act implementation. Our purpose in writing is to urge you to incorporate the unanimous recommendations of the SEC Investor Advisory Committee (the IAC) in the rule permitting general solicitation in offerings made subject to Rule 506 of Regulation D.<sup>1</sup> Many of us are deeply frustrated by the JOBS Act implementation process that has resulted in uncertainty and confusion about the regulatory environment for private offerings. Such uncertainty has the potential to decrease investor protection and increase opportunities for fraud. *We believe that re-proposal of a rule that includes the IAC recommendations for appropriate investor protections and that complies with the Commission's guidelines for economic analysis is the best way to assure that any final rule adopted in this area can be speedily adopted, is legally defensible and enjoys the broad support of the issuer and investor communities.*

The recommendations of the IAC include provisions designed to ensure that the Commission receives the information necessary to provide effective oversight of the Rule 506 offering market, that these private offerings are sold only to those who are appropriately qualified to make such investments, that any performance claims made in such offerings are based on reliable standards, and that “bad actors” will not be allowed to participate in such offerings. We believe these are reasonable proposals that will enhance investor confidence in this market without unduly impeding legitimate offerings. Moreover, given the volume of comment the Commission has already received on these issues, we believe the staff should be able to craft quickly a rule proposal that can move very expeditiously – possibly with the minimum comment period – through the notice and comment process to final adoption.

Some of us are eager to begin making use of the various streamlined procedures the JOBS Act provided to ease the capital formation process for non-public companies. We have been frustrated by regulatory delays and are anxious to see signs of progress from the Commission on the regulations to implement the law. Others of us were JOBS Act opponents. Regardless of our position on the JOBS Act itself, however, we agree that confidence in the regulatory process is enhanced when it functions smoothly and efficiently in compliance with congressionally mandated deadlines. Toward that end, we also urge the

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<sup>1</sup> The recommendations are available [here](#).

Commission to issue rules implementing crowdfunding and Regulation A provisions of the JOBS Act as quickly as possible, consistent with sound rulemaking procedures.

Thank you for your attention to our concerns. We hope that our ability to reach consensus, despite our underlying differences regarding the JOBS Act itself, can provide a useful model for the Commission in implementing the law.

Respectfully submitted,

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cc: Commissioner Luis Aguilar  
Commissioner Daniel Gallagher  
Commissioner Troy Paredes  
Commissioner Elisse Walter