

United States Senate

WASHINGTON, DC 20510

October 22, 2013

The Honorable Mary Jo White
Chairman
U.S. Securities and Exchange Commission
100 F Street, Northeast
Washington, D.C. 20549

Dear Chairman White:

As strong supporters of the Jumpstart Our Business Startups (JOBS) Act, we were pleased to see the Securities and Exchange Commission (SEC) act earlier this year to begin implementation of this important law. With unemployment remaining at chronically high levels, implementation of the JOBS Act, an important step in pushing our economy forward and putting Americans back to work, is long overdue.

The SEC's adoption of a final rule, in the manner mandated by Congress, to lift the ban on general solicitation for private securities offerings will work to facilitate capital formation for small businesses and entrepreneurs. As you know, this long-overdue change will remove an existing barrier to economic growth by encouraging investment in the private market from qualified investors.

Unfortunately, we are very concerned that the SEC's additional proposals under consideration, as they relate to changes to Regulation D, Form D, and Rule 156 under the Securities Act, would substantially undermine the intent of Congress. The SEC's final rule follows Congress's clear directive to the SEC regarding how to amend Rule 506. Section 201 of the JOBS Act instructs the SEC to amend Rule 506 to remove the ban on general solicitation provided that all purchasers of the securities are accredited investors, and to require that issuers take reasonable steps to verify that the purchasers are accredited investors. These instructions reflect Congress's considered decision of what additional investor protection measures should be included in an amended Rule 506, and the SEC has appropriately implemented Congress's judgment. The additional measures that the SEC has proposed go beyond Congress's clear mandate in Section 201, and would impose unnecessary and burdensome requirements that will have adverse effects on small businesses and investors, and undo the progress made under Section 201.

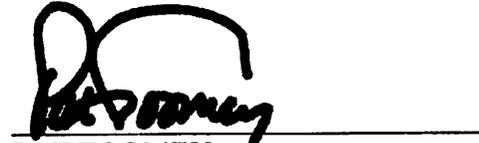
As sponsors of this provision, we respectfully urge the Commission to note Congressional intent and not adopt the additional proposals in order to ensure the benefits of the JOBS Act are realized for small businesses and investors. As we stated in our previous comments to you, we

were encouraged by your commitment to completing the JOBS Act rulemakings, and hope, going forward, you will act expeditiously to continue implementation of other provisions of the law.

Sincerely,



JOHN THUNE
United States Senator



PAT TOOMEY
United States Senator