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Chairman Joseph Dear
Investor Advisory Committee
United States Securities & Exchange Commission,
100 F Street,
Washington DC 20549

Re Agenda For Investment Advisory Committee Meeting January 31,2014
File -265-28

Dear Sir:

I submitted a Comment Letter dated December 10,2013 and a soon to be published article on January 23,2014.The key issue that I believe the Investment Advisory Committee must address at the January 31,2014 meeting is reflected in certain language quoted and referred to in my December10,2013 letter and article pertinent to Section 913 of Dodd-Frank. Section 913 provides that an investor in a private equity and/or hedge fund is **not** deemed a customer and this arguably will preclude the investor from suing the investment adviser to the fund for professional negligence. If this is the case, this in my professional opinion will drastically diminish the rights of individual and non-institutional investors.

The reasonable possibility that the language in issue will adversely and materially impact the rights of individual and non -institutional investors should require the Committee to take an immediate look and cause the flaw in the statutory provision to be corrected. It is especially important because of the nature of the current market. A review of the Comment Letter of Timothy Keating, CEO of Keating Capital Inc. dated January 21, 2014 and the Keating White Paper appended thereto validates the stated proposition with respect to the material adverse impact the Section 913 language will have upon investors.

The White Paper describes the new environment where individual and non-institutional investors in stocks are significantly reduced in comparison to individual and non-institutional investors in pooled funds including private equity and hedge funds. The White Paper in pertinent part states:

" Over the last 50 years ,a change has occurred in the relative ownership of common stocks by institutions and individuals **.An institutional investor is an entity that pools large sums of money to invest on behalf of others such as investment advisers** ,banks, insurance companies , pension funds, **hedge funds**, and mutual funds. Individual investors act on their own behalf. A half century ago, individual investors owned more than 90 % of all US stocks with institutions holding less than 10%.By 1975,institutional ownership had increased to 35%. In 1990 it was 53 %. **Today ,institutional investors now own and control almost 70% of the shares of US corporations**...... "(Emphasis Added)

If the foregoing are indisputable facts and due notice should be taken of them then, *a fortiori*; the issue with respect to the individual investor's rights to sue the fund advisor for professional negligence needs to be immediately addressed and the language corrected. I respectfully request that the issue stated above be on the agenda and discussed at the January 31,2014 meeting so remedial steps can be taken and the enlarged scope of investor rights intended by Dodd-Frank not be compromised. Thank you for your consideration and courtesy.

Respectfully,

Norman B. Arnoff

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cc: Honorable Mary Jo White , Chair
, Honorable Luis Aguillar, Commissioner,
Honorable Daniel M. Gallagher, Commissioner,
, Honorable Kara M.Stein, Commissioner,
Honorable Michael S .Piowar, Commissioner,
Leon Nallengara, Chief of Staff,