

Securities and Exchange Commission

Re: Title II of the JOBS Act

Ladies and Gentlemen,

The JOBS Act became law on April 5th of last year. Today we are approximately 30 days away from the one-year anniversary of that signing...and we are all still waiting on you, the Commission, to disregard politics, lobbyists and personal legacies and get on with the people's business.

With all due respect, when is respect no longer due?

Nearly one year has passed. You should be ashamed of yourselves. You do your hard-working colleagues in government such a disservice. The Commission has become the poster child for Libertarians who are convinced that government simply does not function.

In the past year, you have received thoughtful input in the form of comments from industry trade groups, lobbyists, consumer advocates, financial institutions and investors. They have practically done your job for you. They have identified a number of undeniable truths including;

- **Requiring a heightened level of accredited investor verification will not increase “Access to Capital for Job Creators”.** Rather, it will be contrary to the spirit and original intentions of the legislation and will have a chilling effect on the flow of private capital. Everyone knows this to be true.
- There must be some bright lines defining the form and format of general solicitation pursued under Rule 506c. Without safe harbors, capital-raising will mimic your momentum as a Commission. **There must be safe harbors.**
- Consumer and investor-rights advocates are appropriately concerned about the potential for the increased incidence of fraud that may be directed at unsophisticated, non-accredited investors. It is appropriate to tread carefully with respect to smaller investment transactions. But, there is an investment threshold (an amount that an individual invests) at which the question of investor accreditation is self-validated by fiat. Some may feel that number is \$100,000, or perhaps \$200,000, but certainly in that range there is little doubt that the investor is accredited. **Any investment at a certain prescribed threshold should be exempt from any more rigorous accredited investor verification requirements.**

I would challenge the Commission to prove up any material amount of actual incidences where non-accredited investors put \$200,000 into a private investment offering. It does not happen with any material frequency. We all know that. You know that.

Large minimum investments in hedge funds and other private investment offerings need not be “protected” by the Commission.

Regards,

Jeff Joseph

3.3.13