

United States House of Representatives
Committee on Financial Services
Washington, D.C. 20515

October 31, 2013

The Honorable Mary Jo White
Chair
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Dear Chair White:

First, I write to thank you for moving swiftly on implementation of Title II of the Jumpstart Our Business Startups Act (or the "JOBS Act," P.L. 112-106) in the time since your confirmation in April of this year. I also want to commend you on taking steps to balance the capital formation goals of the JOBS Act with the need for enhanced investor protections, specifically with the Commission's proposed amendments to Regulation D, Form D, and Rule 156. These amendments are a step in the right direction.

Specifically, I applaud the Commission for requiring issuers who wish to use the general solicitation exemption afforded under the JOBS Act to file an "Advance Form D" 15 days prior to commencing such general solicitation. This seems like a reasonable requirement for issuers who seek to solicit the general public via a Rule 506 offering, and it would provide substantial benefits to federal and state regulators as they monitor and enforce this newly-expanded private market. In order to make this pre-filing condition meaningful, I would request that the Commission ensure that the requirement is strongly enforced, consistent with recommendations from the Consumer Federation of America and the North American Securities Administrators Association.

I also believe that the Commission should consider amending the accredited investor definition in light of the expansion to Rule 506 provided in the JOBS Act. In particular, I hope that the Commission will collect granular data on closing Form D filings to learn more about what types of investors are participating in Regulation D offerings. Such data can not only inform Congress, the Commission and state regulators on whether the JOBS Act has met its intended goals, but it can also provide information on how the accredited investor definition should be altered in order to reflect current investor protection needs in the marketplace.

Finally, I am concerned that the proposed amendments do not appear to go far enough in dealing with potentially misleading advertising from private funds related to the performance of their offerings, and would urge the Commission to go further in setting standards for performance and fee claims in advertisements.

The Honorable Mary Jo White
Page Two
October 31, 2013

As a Member of Congress deeply involved in the legislative drafting of the JOBS Act, I can say that the Commission's proposed amendments are wholly consistent with the intent of Title II of the Act. I therefore applaud the care the Commission is taking with regard to its implementation of the law, and ask that you work towards strengthening the Act consistent with the recommendations I outlined in this letter. Thank you for your consideration of my request.

Sincerely,

A handwritten signature in cursive script that reads "Maxine Waters". The signature is written in black ink and is positioned above the printed name and title.

Maxine Waters
RANKING MEMBER