



July 21, 2014

The Honorable Mary Jo White, Chairman
US Securities and Exchange Commission
100 F St NE
Washington, DC 20549

RE: Accredited Investor Definition

Dear Chairman White:

I am the Acting Director for the Arizona Center for Innovation, an Innovation Center and Technology Incubator located at the University of Arizona Tech Parks. As many of my colleagues, I am writing to convince you and the SEC to preserve the current financial thresholds in the current accredited investor definition.

Surely, you are familiar with the imperative positive impact that angel investing has on early-stage companies allowing them to cross the – often several – financial chasms (or as we like to say “valleys of death”) to bring their product or services to market, creating jobs and wealth for the regional economies where they reside and grow.

Budget cuts and sequestration on state and federal levels continue to reduce funding for research and development and early-stage ventures. Venture Capital Funds are looking more and more at later-stage opportunities. In light of these trends the early-stage ventures are reliant on private funding options through angel investors to create sustainable companies based on innovations.

Certainly you are also aware that raising the financial thresholds as significant as proposed would decimate the pool of current accredited investors, devastating the startup ecosystem. This would certainly be the case here in Tucson, Arizona and the Southwest Region. There are no venture funds currently in our region; however, there is a very active angel group in Tucson and additional angel groups in Phoenix, New Mexico and California to whom our startups present. In addition of using the funds from angel investors to innovate and grow, the startups are also utilizing these funds as pull to attract additional funding through federal and state grants, venture funding and bank loans, contributing to the economic impact for our region.

We indeed understand that there is also a desire and need to protect investors – as well as start-up ventures and therefore, I urge the SEC to adopt the following approach:

- Maintain the current financial thresholds (\$200,000 income per individual; \$300,000 for joint filers, or \$1 million net worth not including primary residence) for individuals to qualify as accredited investors.
- Incorporate the concept of “sophistication” for individuals who do not meet the above thresholds into the definition, to further expand the accredited

investor pool to include those with the experience and knowledge in regard to this type of investment.

This approach will continue to provide investor protection while also recognizing the growing role and importance of accredited investor investment in innovation and growth that are essential to serve the public interest and sustain our nation's economy.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Anita Bell", with a stylized, cursive script.

Anita Bell
Acting Director
Arizona Center for Innovation