

I am the CEO of a broker dealer with approximately 40 registered representatives and am submitting this comment to register my strong opposition both to the proposed finder's exemption and to the proposed codifying of the M&A broker no action letter.

Each of these proposed actions would serve only to reduce protections for the investing public and increase the likelihood of misleading and fraudulent offerings, with no real benefit as far as capital formation is concerned. Our capital markets are highly efficient. If a company – and this includes even small companies – is a worthwhile investment prospect, then SEC registered brokers-dealers will find them and fill the need.

The existing regulatory system is working well. The two proposals would serve only to weaken investor protections with no clear benefit.