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March 1, 2007

Secretary, SEC
Washington D.C.

Elmer Beck
Bethlehem, PA.

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Dear Secretary,

I would appreciate that my public comment be included as part of the SEC's record for the proposed rule to revise the regulation in the net worth in order to be permitted to invest in hedge funds.

I have included the file number for my comment, but would you please verify that I have the correct number for commenting on the proposed rule that affects hedge fund investing.

Thank-you for your time and consideration.

Sincerely,

Elmer A Beck

To the SEC Commission,

Your proposed rule: S7-25-06 that will increase the income and assets to be allowed to invest in Hedge Funds smacks of the Real Estate codiciles and red-lined loan areas that were prevalent during the Post War era of the 1950s and 1960s; all of which deprived people to increase their net worth.

To exclude certain investors from such funds will also impact managers who require capital to operate and they would bar small funds to obtain additional capital, while also restrict the creation of new funds for investors.

Educated people or in SEC parlance, "sophisticated investors" are not the sole reason some investments turn sour in events beyond their control. As for "educated", for all the collective education of the business anaylsts from JP Morgan, Citicorp and Merrill Lynch; how could they all be snookered by Enron?

People can be educated, but also can be deceived. Then there is bad judgement as proven by 'Amaranph' (?). How did their education pay-off. Therefore, education does not ward off bad and deceitful people and not all sophiticated investors are infallible.

Limited rights of investing denies people to enhance their lives and limits the stimulus for the economy at large.

Furthermore, could rule S7-25-06 be unconstitutionual from an individual's standpoint while violating the commerce clause?

Sincerely,

Elmer A. Beck

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