

**Comments on Prohibition of Fraud by Advisers to Certain Pooled Investment Vehicles;
Accredited Investors in Certain Private Investment Vehicles**

January 27, 2007

Ms. Nancy M. Morris, Secretary
Securities and Exchange Commission
100 F Street, NW
Washington, Dc 20549-0609

Dear Madam Secretary:

I'm not an accredited investor. And I don't know anything about managing hedge funds either. But I think I know something about economics and personal motivation and I know that private investment is the engine that drives any successful economy.

The proposed rule making concerns me on two levels. First, in this internet age; money and ideas move around the global economy with a simple mouse click. The unintended consequence of your proposed rule making, although hard to quantify, will be to force some number of smart people and their money to seek economic freedom and improved returns in more favorable and less coercive jurisdictions rather than pondering what the SEC might propose and/or implement next.

Second, to the much larger number of investors who won't vote with their feet and wallets, it still sends a deadly message. People did not come to these shores for specific opportunities, but rather, in response to the perception that they could better prosper in America than anywhere else. Our capital markets are arguably the best way for frugal savers to compound their individual savings into truly significant sums. This proposed rule making will create the new perception that America's financial playing field is closed to those who are not already rich.

As others have already ably commented; there is no viable correlation between wealth and financial acumen; that existing fraud statutes do provide ample enforcement mechanisms; and also that this government's role isn't to protect people from themselves. The proposed rule making won't either increase investment safety or benefit wealth creation. Rather, it will deprive the targeted group from increasing their financial position; something our Founding Fathers, who understood the benefits of minimal government, would find inexplicable to say the least.

Thank you for this opportunity to express my thoughts and concerns.

Sincerely,

Thomas Snelling
P. O. Box 112163
Anchorage, Alaska USA