

Simon, Ammon (Banking)

From: Alan Donenfeld <alan@cityvest.com>
Sent: Thursday, April 21, 2022 5:56 PM
To: submissions (Banking)
Subject: Jobs Act 4.0

Dear Banking Committee,

My company is an online investment platform democratizing access by accredited investors to private equity funds.

I am in favor of the so-called Jobs Act 4.0 proposal, but have some specific comments.

I am in favor of Sec. 202: S.3976 which is called the Expanding American Entrepreneurship Act. Specifically I am in favor of an increase in the permitted size of angel funds 250 investors to 500 investors, and from \$10 million to \$50 million. This will expand access to angel capital to small and medium-sized companies and improve investment opportunities for smaller dollar investors. Sponsors: Senators Jerry Moran (R-KS) and Tim Scott (R-SC).

In a similar fashion, I urge you to consider a change to Section 3(c)1 of the Investment Company Act which provides private investment companies an exemption from certain SEC regulations if there are 100 or fewer investors. This limit of 100 investors participating in a private placement is a very old limit and stifles capital formation. Similar to Sec 202: S.3976, the limit for a private placement private under 3(c)1 should be raised to 500 investors.

I am in favor of Sec. 306: S.3921 - Equal Opportunity for all Investors Act. This act would permits self-certification of accredited investor status under Rule 506(c) and expands the definition of an accredited investor by (1) requiring the SEC to establish an examination to allow an individual to obtain accredited investor status regardless of their income level and (2) allowing anyone to invest in Regulation D securities up to 10% of their income. This will ensure that all Americans can access high-growth investment opportunities and expand access to capital for private companies. Senators Thom Tillis (R-NC) and Tim Scott (R-SC). I would also recommend that anyone investing in a Rule 506(b) or 506(c) private placement be exempt from the accreditation rule entirely if they are represented by a FINRA broker-dealer or if they have any post-college educational degree, such as Masters and Doctorate degrees.

Alan Donenfeld
CityVest Capital Inc.
alan@cityvest.com
917-747-3091