

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 230

[Release No. 33–10823]

Order Designating Certain Professional Licenses as Qualifying Natural Persons for Accredited Investor Status

AGENCY: Securities and Exchange Commission.

ACTION: Order.

SUMMARY: The Commission is issuing an order designating the General Securities Representative license (Series 7), the Private Securities Offerings Representative license (Series 82), and the Investment Adviser Representative license (Series 65) as qualifying natural persons for accredited investor status.

DATES: This Order is effective December 8, 2020.

FOR FURTHER INFORMATION CONTACT: Charlie Guidry, Special Counsel, Office of Small Business Policy, at (202) 551–3460, Division of Corporation Finance, U.S. Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

SUPPLEMENTARY INFORMATION: Order designating certain professional licenses as qualifying natural persons for accredited investor status pursuant to Rule 501(a)(10) under the Securities Act of 1933 (“Securities Act”).

After consideration of public comments and for the reasons set forth in the adopting release for Rule 501(a)(10),¹ the Commission hereby finds that the following professional licenses meet the attributes to qualify natural persons holding such licenses in good standing as accredited investors under Rule 501(a)(10): General Securities Representative license (Series 7),² Private Securities Offerings Representative license (Series 82),³ and Investment Adviser Representative

license (Series 65).⁴ Our determination that these three licenses meet the attributes specified in Rule 501(a)(10) may be subject to reconsideration should any significant modifications occur to the applicable licensing requirements.

Accordingly, pursuant to Rule 501(a)(10) of Regulation D under the Securities Act, it is hereby ordered that the General Securities Representative license (Series 7), the Private Securities Offerings Representative license (Series 82), or the Investment Adviser Representative license (Series 65) shall qualify natural persons holding such licenses in good standing as accredited investors under Rule 501(a)(10).

By the Commission.

Dated: August 26, 2020.

Vanessa A. Countryman,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

17 CFR PARTS 230 and 240

[Release Nos. 33–10824; 34–89669; File No. S7–25–19]

RIN 3235–AM19

Accredited Investor Definition

AGENCY: Securities and Exchange Commission.

ACTION: Final rule.

SUMMARY: We are adopting amendments to the definition of “accredited investor” in our rules to add new categories of qualifying natural persons and entities and to make certain other modifications to the existing definition. The amendments are intended to update and improve the definition to identify more effectively investors that have sufficient knowledge and expertise to participate in investment opportunities that do not have the rigorous disclosure and procedural requirements, and related investor protections, provided by registration under the Securities Act of 1933. We are also adopting amendments to the “qualified institutional buyer” definition in Rule 144A under the Securities Act to expand the list of entities that are

eligible to qualify as qualified institutional buyers.

DATES: This final rule is effective December 8, 2020.

FOR FURTHER INFORMATION CONTACT:

Jennifer Zepalka, Office Chief, or Charlie Guidry, Special Counsel, Office of Small Business Policy, at (202) 551–3460, Division of Corporation Finance; Jennifer Songer, Branch Chief, or Lawrence Pace, Senior Counsel, at (202) 551–6999, Investment Adviser Regulation Office, Division of Investment Management; U.S. Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

SUPPLEMENTARY INFORMATION: We are adopting amendments to 17 CFR 230.144A (“Rule 144A”), 17 CFR 230.163B (“Rule 163B”), 17 CFR 230.215 (“Rule 215”), and 17 CFR 230.501 (“Rule 501”) of 17 CFR 230.500 through 230.508 (“Regulation D”) under the Securities Act of 1933 (“Securities Act”);¹ and 17 CFR 240.15g–1 (“Rule 15g–1”) under the Securities Exchange Act of 1934 (“Exchange Act”).²

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¹ See Amending the “Accredited Investor” Definition, Release Nos. 33–10824; 34–89669 (Aug. 26, 2020).

² The Financial Industry Regulatory Authority, Inc. (“FINRA”) developed and administers the Series 7 examination. An individual must be associated with a FINRA member firm or other applicable self-regulatory organization member firm to be eligible to take the exam and be granted a license. See <https://www.finra.org/registration-exams-ce/qualification-exams/series7>.

³ FINRA developed and administers the Series 82 examination. An individual must be associated with and sponsored by a FINRA member firm or other applicable self-regulatory organization member firm to be eligible to take the exam. See <https://www.finra.org/registration-exams-ce/qualification-exams/series82>.

⁴ The North American Securities Administrators Association developed the Series 65 examination, and FINRA administers it. An individual does not need to be sponsored by a FINRA member firm to take the exam. Successful completion of the exam does not convey the right to transact business prior to being granted a license or registration by a state. See <https://www.nasaa.org/exams/study-guides/series-65-study-guide>.

¹ 15 U.S.C. 77a *et seq.*

² 15 U.S.C. 78a *et seq.*