

State of Michigan
Department of Commerce
Lansing, Michigan

December 16, 1983

Mr. David B.H. Martin, Jr.
Special Counsel
Securities and Exchange Commission
Washington, D.C. 20549

Dear Mr. Martin:

This is in regard to the December 6, 1983 referral of two Reg D no action requests and proposed letters (accredited investor newsletter and individual trust beneficiaries as accredited investors).

With the following modifications the SEC-Reg D/ULOE Coordinating Subcommittee of NASAA's Small Business Financing Committee does not disagree with the proposed letters.

In the second paragraph of the proposed letter having to do with the accredited investor newsletter, we would recommend deletion of the sentence commencing with the words "This Division is" This sentence could be interpreted to mean that if someone else prepared the material (for example, the editor of the newsletter) and paid for it (for example, accredited investors) it might not be construed as general advertising and we are not satisfied this would be a correct interpretation.

As a matter of clarification, we want to indicate what we believe is meant by "segregated account" as used in the trust related no action letter. We interpret this to mean that only the funds of the investor (participant) who made a specific decision to invest would ever be at risk because of that specific investor's investment decision.

As soon as the final letter is issued, would you please send me a copy so that I can distribute something to the NASAA members with a direct interest in these interpretations.

Sincerely,

E. C. Mackey, Director
Corporation and Securities Bureau