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Attention: NPRM - Section 352 Unregistered Investment Company Regulations

Thank you for the opportunity to comment. I have the following comment:

Proposed Section 103.132(a)(6)(i)(B) provides: "That permits an owner to redeem his or her ownership interest within two years of the purchase of that interest."

The purpose of this "redemption" provision is described in the "Supplementary Information" under the heading "Redemption Rights."

Many venture capital and other similar funds contain redemption provisions that provide, in general, that upon a change of law that makes the investors' investment in the fund illegal or inappropriate or similar wording, the investor may redeem its interest in the fund, subject to certain conditions - i.e., cash being available, ability to liquidate investments, etc. This provision is included in partnership/limited liability company agreements so that if there is an ERISA investor, tax exempt investor or other investor subject to regulatory restrictions that investor may exit the fund if the investment is no longer permissible for that investor.

I do not believe that these types of redemption provisions, which could occur within the first two years of investment, are what the rule is intending to capture. I believe additional language could be added to the proposed Section 103.132(a)(6)(i)(B) to clarify this issue. The following is my proposal for alternate wording that would clarify the section: "That permits an owner to redeem his or her ownership interest [at the owner's discretion and regardless of any change in the circumstances relating to the owner's investment] within two years of the purchase of that interest."

Also, please consider whether words "his or her" in Section 103.132(a)(6)(i)(B) should be changed to "person."

Thank you.

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