IIB

115TH CONGRESS
1ST SESSION

H. R. 3972

IN THE SENATE OF THE UNITED STATES

OCTOBER 25, 2017

Received; read twice and referred to the Committee on Banking, Housing, and Urban Affairs

AN ACT

To clarify that family offices and family clients are accredited investors, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Family Office Technical Correction Act of 2017''.

SEC. 2. ACCREDITED INVESTOR CLARIFICATION.

(a) IN GENERAL.—Subject to subsection (b), any family office or a family client of a family office, as defined in section 275.202(a)(11)(G)–1 of title 17, Code of Federal Regulations, shall be deemed to be an accredited investor, as defined in Regulation D of the Securities and Exchange Commission (or any successor thereto) under the Securities Act of 1933.

(b) LIMITATION.—Subsection (a) only applies to a family office with assets under management in excess of $5,000,000, and a family office or a family client not formed for the specific purpose of acquiring the securities offered, and whose purchase is directed by a person who has such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of the prospective investment.

Passed the House of Representatives October 24, 2017.

Attest: KAREN L. HAAS,

Clerk.