

Union Calendar No.

115TH CONGRESS
1ST SESSION

H. R. 3972

[Report No. 115-]

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

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 5, 2017

Mrs. CAROLYN B. MALONEY of New York introduced the following bill; which
was referred to the Committee on Financial Services

OCTOBER --, 2017

Reported with amendments, committed to the Committee of the Whole House
on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in *italie*]

A BILL

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

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Family Office Tech-
5 nical Correction Act of 2017”.

6 **SEC. 2. ACCREDITED INVESTOR CLARIFICATION.**

7 ~~Any person who is a~~ *(a) IN GENERAL.—Subject to*
8 *subsection (b), any family office or a family client, client*
9 *of a family office, as defined in section 275.202(a)(11)(G)–*
10 *1 of title 17, Code of Federal Regulations, shall be deemed*
11 *to be an accredited investor, as defined in Regulation D*
12 *of the Securities and Exchange Commission (or any suc-*
13 *cessor thereto) under the Securities Act of 1933.*

14 *(b) LIMITATION.—Subsection (a) only applies to a*
15 *family office with assets under management in excess of*
16 *\$5,000,000, and a family office or a family client not*
17 *formed for the specific purpose of acquiring the securities*
18 *offered, and whose purchase is directed by a person who*
19 *has such knowledge and experience in financial and busi-*
20 *ness matters that such person is capable of evaluating the*
21 *merits and risks of the prospective investment.*