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### **Angel Capital Association Advocates for SEC JOBS Act Ruling: Safe Harbors for Angel Investors**

**Washington, DC**, April 11, 2013 - Jean Peters, Board Member of the Angel Capital Association (ACA) and Managing Director of Golden Seeds, testified before Congress today to advocate on the behalf of angel investors and entrepreneurs in the "*JOBS Act Implementation Update*" hearing hosted by the House Small Business Subcommittee on Investigations, Oversight, and Regulations.

The JOBS Act, which was signed into law more than a year ago, was designed to fuel investment into new and emerging ventures, with key provisions including lifting the ban on general solicitation and new provisions for crowdfunding. "The potential for both crowdfunding and general solicitation to fuel investment is a crucial and exciting development," says Peters.

However, delays by the SEC in publishing clear rules risk slowing down angel investing at a critical time for job growth in the economy. In her testimony, Peters urges the SEC to provide clarity on Title II of the JOBS Act—which ends the ban on general solicitation for issuers who sell securities to accredited investors, and requires issuers using solicitation to take "reasonable steps to verify" that their investors are accredited. Because "reasonable steps" have not been well defined by the SEC, "this leaves both investors and entrepreneurs in a deeply uncertain position," says Peters.

As recent research shows, angel investors are less likely to make investments if put through a cumbersome and expensive verification process. "The lack of safe harbor could cause a dramatic slow down in angel funding – the exact opposite of Congressional intent," said Peters.

ACA recommends that the final SEC rule allow angel investors and entrepreneurs to engage with confidence through the installment of safe harbors. Validating methods already in place by ACA include representation from a reputable angel group and detailed self-certification questionnaires. ACA hopes that their professional membership standards can serve as a guide to JOBS Act standards that will encourage the growth of the economy through continued, early stage investments.

Peters' written testimony is available on ACA's [Web site](#) and video of the hearing can be seen [here](#).

#### **Jean Peters**

Prior to an award-winning career as an executive serving in C-suite roles in strategic planning, investor relations and corporate communications, Peters spent more than a decade as a financial and investigative journalist. Peters also spent several years on Capitol Hill as policy analyst to the House Budget Committee, and was awarded a Congressional Fellowship from the American Political Science Association. Currently, she is an active investor and Managing Director of Golden Seeds and a board member for the Angel Capital Association.

#### **About Angel Capital Association**

The Angel Capital Association is the leading professional and trade association supporting the success of angel investors in high-growth, early-stage ventures. ACA provides professional development, industry voice, public policy advocacy and an array of benefits and resources to its membership of 200 angel groups and more than 8,500 individual accredited investors. [www.angelcapitalassociation.org](http://www.angelcapitalassociation.org); Twitter: @ACAAngelCapital.

Contact Marianne Hudson, Executive Director 913-894-4700 x 1 [mhudson@angelcapitalassociation.org](mailto:mhudson@angelcapitalassociation.org)