

Law Offices of Piper & Marbury
Washington, D.C.

Securities and Exchange Commission
500 N. Capitol Street
Washington, D.C. 20549

Attn: George A. Fitzsimmons, Secretary

Re: File No. S7-891 - Regulation D

Gentlemen:

This firm, on behalf of itself and its client, First Winthrop Corporation, has the following comments in respect of Securities Act Release No. 6339 regarding the proposed revision of certain exemptions from the registration provisions of the Securities Act of 1933 for transactions involving limited offers and sales.

We support the adoption of proposed Regulation D as an important contribution to the Commission's objectives of: (1) creating a more coherent and simplified system for small offerings of securities; (2) providing greater objectivity in determinations of whether particular offerings qualify for exemptions; and (3) assisting the capital formation needs of small businesses.

In particular, the creation of four new categories of accredited investors under Regulation D demonstrates the Commission's awareness of the desirability of permitting certain categories of investors to participate in small issue offerings without the preparation of an elaborate, expensive and burdensome disclosure document.

The inclusion in the categories of accredited investors of "any natural person who had an individual adjusted gross income in excess of \$100,000 as reported for Federal income tax purposes in his most recent tax return", best exemplifies the expanded rationale behind the accredited investor concept.

Individuals whose annual adjusted gross income exceed \$100,000 , by virtue of their economic capabilities, are surely "able to fend for themselves" in small issue offerings. See SEC v. The Ralston Purina Co. 346 U.S. 119 (1953). Generally such persons are likely to be sophisticated in financial and business matters; if they are not, they are, nevertheless, capable of engaging appropriate advisors and representatives. They do not need the protection of the registration

provisions of the Securities Act of 1933 or a disclosure document which would contain substantially similar information to a registration statement. Accordingly, the Commission has evidently weighed the public benefit to be obtained by requiring a disclosure document to be prepared for such investors, versus the deterrent toward capital formation for small businesses necessarily involved in the preparation of such a disclosure document, and has properly concluded that such persons should qualify as accredited investors.

We appreciate the opportunity to comment on these proposals and would look forward to an opportunity to comment on any further proposals which contain any material variations from those described in Securities Act Release No. 6339.

Very truly yours,

Frank R. Goldstein