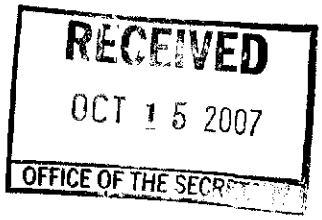
VSR
FINANCIAL SERVICES INC.

October 9, 2007

Nancy M. Morris
Secretary, SEC
100 F Street, NE
Washington, DC 20549-1090



RE: File Number S7-18-07 SEC Release No. 33-8828

Thank you for the opportunity to comment on your proposed changes to Regulation D. This firm has been very active in offering accredited investors various offerings which rely on the limited offering exemptions of Regulation D. This firm does not offer investments in Hedge Funds and we do not "manufacture" any of the products that we offer our clients. The investments we offer are generally real estate, oil and gas, equipment leasing, asset backed note offerings, and managed futures.

Approximately 95% of our transactions are with accredited individual investors, as opposed to "legal entities" or institutions. We are in general agreement with many of the proposals that are outlined in your release and we agree that the definition of accredited investors needs to be revised and updated. This letter will highlight some of our "areas of concern" with the rule proposals and how they might affect our business.

Accredited Investor Definition

Rule 501(a) defines how an individual qualifies as an accredited investor, based on either net worth or income. We believe that the new definition should also provide two ways for individuals to become accredited investors- one based on income and one based upon investments. We believe that determining how much individuals have in investments is much more accurate than trying to determine an individual's net worth, which may include hard to value items such as homes, cars, personal possessions, etc.

We believe that $750,000 in "investments" is an appropriate level for an accredited investor. We believe that individuals' personal residence, autos, and personal property should also be excluded from the investment calculation. In situations where individuals own multiple homes, we believe it is appropriate for them to include the value of those properties (less any mortgage) in their investment calculation. Individuals who own multiple homes would have to designate which property is their primary residence, and the value of that property could not be included in their investment calculation.

We also believe that an individual who owns a family owned or closely held business should be able to include those assets in their investment calculation. We estimate that more than half of this firm's accredited investors qualify as accredited investors as a result of the value of their family owned business or closely held business. These

individuals are generally financially sophisticated, understand risk, and are fully capable of evaluating the opportunities being offered in Reg D offerings. To prevent these business owners from participating in accredited only offerings would be a mistake, in our opinion.

The firm has numerous clients who own property that they lease to their closely held businesses. Many doctors personally own the building where they practice. Some doctors own a portion of the hospital or clinic where they work or see patients. We think those investments should qualify as investments for the purposes of determining accreditation.

For determining the amount of investments an individual owns, we believe that cash and cash equivalents should be included in the calculation. For example, an individual could have a portfolio of stocks and bonds worth $850,000. They then liquidate $200,000 and move to cash or money market funds. If cash or cash equivalents are excluded from the calculation, this investor who was accredited before, now finds themselves not qualifying as an accredited investor. This makes no sense.

Jointly Held Investments

This firm and its Representatives each have an obligation to determine suitability for our clients who are investing in Reg D offerings, an obligation which we take very seriously. We believe that it would be much more reasonable for a married couple to either be accredited or non-accredited based upon their combined level of investments or joint income. We believe that if they are accredited as a couple, then each individual, even when investing alone, would also be accredited.

We believe this makes a great deal of sense because of the potential difficulty in determining which of their assets are individually owned and which are jointly owned. IRA assets and retirement plan assets would generally be individually owned although the spouse is generally the beneficiary. When couples do estate planning, it is very common for them to divide up and retitle their assets so that each spouse can get the maximum benefit from the unified credit. This firm's records could very well show that an investment was purchased in joint name, but it could have been retitled without our knowledge. It would be impractical to go back and reexamine how all of a client's assets are titled between husband and wife each time we present Reg D offering to a couple.

Large Accredited Investors

You asked for comments about telephone solicitation for Large Accredited Investor offerings. We believe that the caller should have a pre-existing relationship with the Large Accredited Investor which has allowed the caller to reasonably determine that the prospective investor is qualified as a Large Accredited Investor and that the investment may be appropriate for prospective investor.

We believe that only Large Accredited Investors should be allowed to invest in these offerings and that there should be no limited number of non Large Accredited Investors allowed to invest.

Other Matters

We support:

· Shortening the time required for the integration safe harbor for Reg D offerings;

· Providing uniform disqualification provisions for Reg D offerings;

· Allowing limited advertising for Rule 507 offerings, not to include radio, TV, or infomercials;

· Future inflation adjustments on a five-year time schedule with adjustments in multiples of $50,000.

Please contact me if you have any questions about our comments.

Sincerely,

J. Michael Stanfield
Chief Executive Officer