

SEC's attempt of widening exemption requirement of Foreign Broker-Dealer from registration in line with the impacts of Globalization and is really appreciable.

Comments:

1. Change in the definition of " Qualified Investor " in the place of Major Institutional investor is a welcome change but the implication is that, a foreign bd can deal with :

a) Any corporation, company, or partnership that owns and invests on a discretionary basis not less than \$25 million in investments, threshold is reduced from \$100 million to \$25 million.

REDUCE the cap as low as \$1 million. Let us open the investments in a right spirit across good foreign markets. To have a cap as high as \$25 million will not solve the purpose.

AND

b) Any natural person who owns not less than \$25 million in investments BUT here the proposition is not clear that, when a person from foreign country - is residing in US and having funds available in the foreign markets, still the cap of \$25 million is applicable ?

REDUCE the cap as low as \$ 0.1 million and give chance to the small investors to tap foreign markets of course, with all necessary regulations that are proposed.

2. With the liberalization and exemption to foreign bd I believe, at least allow the foreign bd to have office setup inside US, for the purpose of providing US investors facilities - like statement of accounts and share holdings, tax deducted at source (if any) in the foreign countries etc. with the clear note that, there should not be any marketing activities.

