

## Ricardo Davidovich in Middle Market Growth: SEC Proposal Widens Pool of Accredited Investors

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**PRACTICES** Investment Management, Private Equity

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Haynes Boone Partner [Ricardo Davidovich](#) talked with *Middle Market Growth* about the recent move by regulators to widen the pool of Americans eligible to invest in private companies.

Here is an excerpt:

While experts say the proposed change is unlikely to bring droves of Main Street investors to private equity funds, it could increase access to investment opportunities for financial services professionals who don't meet the current wealth-based qualifying criteria.

After issuing an initial proposal in December, the Securities and Exchange Commission is expected to announce new rules later this year related to accredited investor status, which defines who is allowed to participate in private securities offerings and invest in private equity or hedge funds.

The move comes in response to critiques from industry leaders, advocacy groups and even the SEC itself that the current accredited investor definition is overly restrictive.

The change ultimately may not have much of an impact on private equity coffers or M&A, according to Ricardo Davidovich, a partner in the investment management and private equity practice group at law firm Haynes Boone. "While there will be an increase in the number of accredited investors, based on the proposed rule, I do not think the increase will have a material impact," he says.

To read the full article, click [here](#).