

## Insights



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### **Congress Grants Increased Flexibility for Small Venture Funds and Small Public Companies with Passage of the Economic Growth, Regulatory Relief, and Consumer Protection Act**

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On May 24, 2018, President Trump signed into law the Economic Growth, Regulatory Relief, and Consumer Protection Act (the “Reform Act”) which includes federal securities law and regulation reforms for privately held, high-growth companies, venture capital funds, and public reporting companies. The amendments include (1) an amendment to the Investment Company Act of 1940 (the “1940 Act”) exempting certain small venture capital funds with no more than 250 investors from registering under such Act, (2) a change to Rule 701 raising the disclosure limit to \$10 million in any twelve-month period, and (3) a revision of Regulation A allowing public reporting companies to take advantage of the exemption allowed under the title.

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