

## **Accredited Investors**

*Referenced from [www.SEC.gov](http://www.SEC.gov)\**

### **How can individuals qualify as accredited?**

Individuals (i.e., natural persons) may qualify as accredited investors if they meet **one or more** of the following wealth, income, or financial sophistication criteria:

*This information is provided for general purposes only and does not constitute legal, tax, or financial advice. Determining whether you meet the requirements of an accredited investor is your responsibility. Investors should consult with their financial advisor, CPA, or other qualified professional to evaluate their individual circumstances before participating in any offering.*

### **Financial Criteria**



- Net worth over \$1 million, excluding primary residence (individually or with spouse or partner)
- Income over \$200,000 (individually) or \$300,000 (with spouse or partner) in each of the prior two years, and reasonably expects the same for the current year

### **Professional Criteria**



- Investment professionals in good standing holding the general securities representative license (Series 7), the investment adviser representative license (Series 65), or the private securities offerings representative license (Series 82)
- Directors, executive officers, or general partners (GP) of the company selling the securities (or of a GP of that company)
- Any “family client” of a “family office” that qualifies as an accredited investor
- For investments in a private fund, “knowledgeable employees” of the fund



967 North Main Street  
Randolph, MA 02368  
781-766-DEAL  
[info@nextdealfunding.com](mailto:info@nextdealfunding.com)

## **How can entities qualify as accredited?**

Depending upon the structure of the entity or its assets, entities may qualify as an accredited investor.

### **Investments**

Entities owning investments in excess of \$5 million

### **Assets**

The following entities with assets in excess of \$5 million: corporations, partnerships, LLCs, trusts, 501(c)(3) organizations, employee benefit plans, “family office” and any “family client” of that office

### **Owners as Accredited**

Entities where all equity owners are accredited investors

## **Still Unsure if You're an Accredited Investor?**

If you are unsure whether you meet the requirements of an accredited investor, we encourage you to consult your financial advisor or CPA for guidance.

### **Investment Advisers**

Investment advisers (SEC- or state-registered or exempt reporting advisers) and SEC-registered broker-dealers

### **Financial Entities**

A bank, savings and loan association, insurance company, registered investment company, business development company, or small business investment company or rural business investment company

*This resource represents the views of the staff of the Office of the Advocate for Small Business Capital Formation. It is not a rule, regulation, or statement of the Securities and Exchange Commission (“Commission”). The Commission has neither approved nor disapproved its content. This resource, like all staff statements, has no legal force or effect: it does not alter or amend applicable law, and it creates no new or additional obligations for any person. This resource does not provide legal advice. This resource was produced and disseminated at U.S. taxpayer expense. Have suggestions on additional educational resources? Email [smallbusiness@sec.gov](mailto:smallbusiness@sec.gov).*

\*<https://www.sec.gov/resources-small-businesses/capital-raising-building-blocks/accredited-investors>