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Samuel N. Gallo, CPA, CAIA
University System of Maryland Foundation
Chief Investment Officer
21 Dupont Circle, Suite 430
Washington, DC. 20036
[REDACTED]

Via Electronic Mail: rule-comments@sec.gov

Vanessa A. Countryman
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: Private Fund Adviser Proposal; File No. S7-03-22; Release No. 34-94868

Dear Ms. Countryman,

Thank you for the SEC's attention on the important role institutional investors play in the capital markets, and for beneficiaries. The University System of Maryland (USM) is the state's public higher education system and includes twelve institutions, three regional higher education centers and one university system office. The University of Maryland Foundation, Inc. (d/b/a the University System of Maryland, Inc.) has provided philanthropic support to the USM and other Maryland higher education institutions, inclusive of over 20 institutional clients, impacting over 200,000 students, faculty, and staff. The Foundation has provided philanthropic support for over 40 years and manages an endowment of over \$2.1 billion that supports students, faculty, staff and facilities. Strong US capital markets are critical to the Foundation's ability to manage the endowment to serve the USM and its many constituents. Further, access to diversified investment strategies allows the Foundation to meet its investment objectives and manage risk.

While we generally support the goals of the Commission's recently proposed Private Fund Adviser Rule, we believe the details of the proposal need further consideration in order to ensure there are no unintended consequences that would adversely affect endowments' ability to properly diversify portfolios. In addition to the public comment period, we encourage the Commission to host a public roundtable of stakeholders, including institutional investors like endowments and foundations. Such a venue would offer a diversity of investors the platform to discuss needs, priorities, and concerns in greater detail.

In particular, it is important to explore what negative impact certain prohibitions in the proposal would ultimately have on institutional investors by limiting access and raising fees. Additionally, the Commission should thoughtfully consider the increase in compliance costs and the ultimate bearer of such costs.

Thank you again for your initiative to improve the experience of institutional investors like the Foundation. We look forward to continuing a dialogue with the Commission on these important topics.

Respectfully yours,

Samuel N. Gallo