October 2, 2009

[redacted]

Ms Mary L. Schapiro
Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Dear Ms Schapiro:

I applaud the SEC for taking steps to eliminate "pay to play" scandals. However, I very strongly disagree with your proposed ban on the use of placement agents when dealing with public pension plans.

I recently retired from a 36-year career in investment management at the Teacher Retirement System of Texas. During that time, I have interacted with many placement agents and found them to not only be very hard-working professionals, but an extremely valuable resource in helping our staff identify, pre-screen and evaluate potential investment manager candidates. I have never experienced any of the corrupt or deceitful actions that are being blamed on placement agents and feel they are being singled out and penalized on a dramatically unfair scale.

I also believe that your proposed ban on placement agents will unjustly penalize a huge percentage of emerging, small, minority-owned and middle-market investment managers, as these firms rely extensively on placement agents to help them: (a) conduct institutional quality due diligence on each candidate's track record, strategy and organization; (b) educate them on what it takes to be an acceptable institutional investment fiduciary; (c) introduce their firm to pension funds; (d) design and structure institutionally acceptable investment vehicles; and (d) negotiate and secure investment commitments.

I implore the SEC to eliminate their proposed ban on placement agents and, instead, impose more regulatory oversight equally on investment mangers, government employees (with decision-making authority), consultants and placement agents. I would also suggest a ban on all political contributions for any organization doing or seeking to do business with a pension fund. This would be a far more effective, rational and equitable approach to curbing "pay-to-play" schemes.

Regards,

Drew

Jack A. (Drew) Maxwell, Jr.