



Elizabeth M. Murphy  
Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

September 30, 2009

**Re: Political Contributions by Certain Investment Advisers (File No. S7-18-09)**

I am writing with regard to Rule No. IA-2910/File No. S7-18-09, which has been proposed in response to a number of recent 'pay to play' scandals involving government pensions.

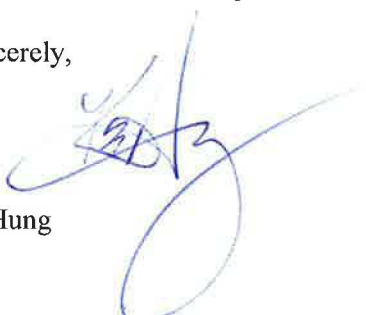
As Chairman and Founder of Winnington Capital, the alternative investment management organisation, I have direct experience of the value that the vast majority of full service placement agents provide both to General Partners and their institutional Limited Partners. Under the current proposals, I fear that there is a real danger of failing to differentiate between the harmful actions of a small number of individuals on the fringes of the institutional investment industry and those placement organisations that provide a number of important services within the institutional investment process. Failure to make this differentiation will inevitably disadvantage the many GPs and LPs that rely heavily on the expertise of placement agents.

At Winnington Capital we manage over \$1.1 billion of capital from institutions and other mainstream investors. Headquartered in Hong Kong, we manage a select number of hedge funds and real estate funds with a specialist focus upon mainland China and north Asia. Having established our organisation in 1999, I have seen how the fund placement industry can introduce emerging managers to the institutional marketplace and serve as the marketing arm of start-up, small and mid-sized managers that would be otherwise unable to afford or justify an internal marketing team.

Having discussed these proposals with our institutional Limited Partners, who are based within the United States, Europe and Asia, I understand the value they place upon capital raising organisations that provide them with an effective initial level of due diligence and screen the universe of fund managers for the very best investment opportunities. The introduction of a ruling that limits the involvement and activities of the mainstream fund placement industry will be to the detriment of pension funds, insurance companies and other institutional investors, which will inevitably face less choice within their investment decision-making.

Whilst I recognise the genuine concerns of the SEC with regard to corrupt practices and inappropriate political contributions, I would strongly urge the Commission to ensure that any new legislation does not restrict unnecessarily the activities of the vast majority of full service placement organisations. I fully support the proposed ban on contributions to politicians, or indeed anyone else in a position of influence, but it would be inappropriate and harmful to introduce a blanket ban on all placement agents.

Yours sincerely,

  
Kenneth Hung  
Chairman