



Colorado Public Employees' Retirement Association
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October 6, 2009

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

RE: Political Contribution by Certain Investment Advisers (File No. S7-18-09)

Dear Ms. Murphy:

We are writing on behalf of The Colorado Public Employees' Retirement Association ("COPERA"), a pension fund with approximately \$32 billion in assets and a duty to protect the retirement security of 437,000 plan participants and beneficiaries. On behalf of COPERA's plan participants and beneficiaries, we welcome the opportunity to provide comments on the Securities and Exchange Commission's (SEC) proposed rule *Political Contributions by Certain Investment Advisers*.

COPERA currently has a policy concerning the use of placement agents, which is posted on our website at www.copera.org. Our policy states that: While placement agents are used in the private equity and real estate asset classes at PERA, PERA does not hire nor pay placement agents. PERA does not pay placement agents to find investment opportunities and operates under an open door policy in which any investment manager can present investment ideas to PERA staff. In the event PERA makes investments in which placement agents are used by the investment manager or general partner, PERA will require those fees to be disclosed.

COPERA would like to further clarify our policy in light of any miscommunication and recent comments to the SEC regarding COPERA's use of placement agents. It is important to understand that investing is handled in-house at COPERA and that no individual Trustee or staff member can influence an investment decision or decision to use a placement agent. While COPERA doesn't solicit placement agents, our in-house investment staff does interact with general partners who may be using placement agents. As stated in our policy, we will talk to a placement agent if they approach COPERA. If a general partner wishes to outsource to placement agents, we leave that decision to them. However, COPERA will closely scrutinize who the general partner pays and how the payment is made. Any relationship and payment agreement between a general partner and placement agent must be fully disclosed to COPERA.

With regard to the key aspects of the proposed rule changes COPERA would like to provide the following comments.

Political Contributions – Proposed Rule 206(4)-5(a)(1)

COPERA favors banning political contributions to parties that have decision-making authority with the investor entity. If a total ban is not enacted, then a cap on political contributions should be considered. Any contributions made should be fully disclosed to the investing entity.

Third Party Solicitors – Proposed Rule 206(4)-5(a)(2)(i)

COPERA is not in favor of banning the use of third-party marketing firms (placement agents) soliciting US government entities for advisory business. Placement agents play an integral part of our business by contributing services such as:

- Screening prospective transactions
- Providing access to high quality offerings
- Due diligence of prospective transactions
- Matching general partner's investment strategy with the stated interests of the investor
- Scheduling and attending meetings between investor and sponsors
- Coordinating investor requests of the general partner
- Assisting the general partner's in the raising of capital so that the partnership is a viable entity and to provide assistance on expediting fund closing
- Providing references for prospective transaction
- Provide market insight and research

COPERA is supportive of full disclosure of mandates and fees being paid to third party marketing firms. Additionally, we see very little difference between "in-house" investor relations/fundraising teams vs. third party firms specializing in marketing private equity or alternative investment opportunities.

Solicitation of Contributions – Proposed Rule 206(4)-5(a)(2)(ii)

COPERA is in favor of banning the solicitation of contributions for any official of a government entity, or related instrumentality where the investment advisor is providing or seeking investment advisory services. If a total ban is not enacted, then a cap on solicitation of contributions should be considered.

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Indirect Contributions and Solicitations – Proposed Rule 206(4)-5(d)

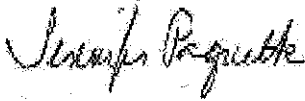
COPERA is in favor of banning the indirect contribution and solicitation provisions for an official of a government entity were the investment advisor is providing or seeking investment advisory services. If a total ban is not enacted, than a cap on indirect contributions and solicitations should be considered.

We again thank the Commission for the opportunity to comment on the proposal.

Sincerely,

A handwritten signature in black ink that reads "M. Williams" with a horizontal line extending to the right.

Meredith Williams
Executive Director

A handwritten signature in black ink that reads "Jennifer Paquette" in a cursive style.

Jennifer Paquette
Chief Investment Officer

MW/da
JP/da