

Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-0609

October 4, 2009

Dear Ms Murphy

Response to SEC Proposal – File no S7-18-09: Political Contributions by Certain Investment Advisers

We are writing to express our concern at the potential ramifications of the proposed SEC rule, which would, amongst other things, prevent Investment Managers like ourselves from using third party placement agents when marketing investment funds to any U.S. government entity. We believe this rule would be of great detriment to our industry, to our business as well as to the government entities.

Corsair Capital LLC (“Corsair”), an SEC registered investment advisor, comprises a team of four senior executives with a significant length and pedigree of experience in the financial services industry, supported by a team of 13 investment/financial professionals operating from New York and London. Our company has successfully invested in the highly specialized financial services sector for 17 years and has plans to expand the business and increase the headcount.

Over our 17 year presence, Corsair, together with limited partners and third party investors, has invested approximately \$5.6 billion in 24 investments. Corsair has generated attractive returns to its limited partners. As of June 30, 2009, realized fund investments generated an aggregate Gross IRR of 32% and a multiple of invested capital of 2.2x. We are currently in the process of raising our fourth fund, Corsair IV Financial Services Capital Partners, L.P. (“Corsair IV”). Corsair IV will target \$2.0 billion in commitments.

For the first time since the inception of Corsair, we have decided to engage an agent, Atlantic-Pacific Capital, Inc. (“APC”), to provide us with advisory services and help us raise our latest fund, Corsair IV. One of the main reasons we engaged APC was that in previous fund raisings we found it very difficult to access some of the public pension plans and government entities. A number of those government entities did not know us well. In addition, we did not have the necessary network of relationships in this segment of the investor community. We were able to only secure a couple of such type of investors for our predecessor fund, Corsair III Financial Services Capital Partners, L.P. (“Corsair III”). The performance of this fund has been to date very strong relative to the performance of the overall market. Unfortunately, the great majority

of U.S. pension plans did not get access to what we consider was an attractive investment opportunity.

Since engaging APC for the Corsair IV fund raising, the firm has exceeded our expectations across the board. APC has worked with us from the initial stages of the fund raising process.

First, they helped us develop a customized marketing program, and utilized their access to pertinent market intelligence for our particular requirements. APC has played an integral part in the drafting stages of the marketing documentation.

Second, APC is proving to be very effective in putting us in contact with prospective investors world-wide, as a result of their strong relationships with market participants. They have been in a position to gauge the likely interest of prospective investors and have been able to prepare us for investor meetings accordingly. APC is targeting over 100 U.S. government entities. We believe that without APC our ability to access this investor base would be severely limited. APC has already enabled us to forge relationships with U.S. institutional sources and attain an audience with several large U.S. pension funds.

Finally, APC is assisting prospective investors who are now performing due diligence on our fund. APC is providing those prospective investors with timely and effective information to help them make an informed investment decision.

The implementation of the SEC proposal will be of significant detriment to our position as a smaller firm, mainly in terms of cutting off access to a wide pool of potential investors and in particular, large U.S. institutional investors, creating an unfair market bias towards larger firms that are more favorably resourced to gain access to such investors. This proposal will also place funds like ours at a disadvantage from a marketing perspective. Unlike larger funds, we do not have the resources to hire a large in-house marketing team. In addition, such a proposal would obstruct government entities from pursuing attractive investment opportunities.

In light of all of the above concerns, we believe that it is disproportionate to apply an outright ban, as a response to the acts of a small minority of unscrupulous individuals. In our opinion, a more measured approach would be to subject placement agents to the same standards of professional conduct expected of the rest of the investment management industry.

Yours Sincerely,

Corsair Capital LLC