

MEMORANDUM

To: File No. S7-18-09

From: Jennifer B. McHugh
Senior Advisor to the Chairman

Date: January 13, 2010

Re: Meeting with the Investment Adviser Association (“IAA”), Legg Mason, and
T. Rowe Price

On January 12, 2010, I met with David Tittsworth, Executive Director, and Karen Barr, General Counsel, of the IAA as well as Greg Merz, Deputy General Counsel of Legg Mason, and David Oestreicher, Chief Legal Counsel of T. Rowe Price.

The IAA representatives discussed issues raised in their comment letter on the SEC rule proposal, “Political Contributions by Certain Investment Advisers,” contained in SEC Release IA-2910. The proposal addresses so-called “pay to play” practices. The IAA representatives outlined the positions discussed in their October 6, 2009 comment letter, focusing on the consequences under the proposed rule of an inadvertent violation and on the proposed rule’s impact on small- and medium-sized advisers.