

February 10, 2020

*Via Electronic Submission*

Ms. Vanessa A. Countryman  
Secretary  
Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549

**Re: Proposed Rule on Investment Adviser Advertisements; Compensation for Solicitations (Release No. IA-5407; File No. S7-21-19)**

Dear Ms. Countryman,

The Loan Syndications and Trading Association (“**LSTA**”)<sup>1</sup> appreciates the opportunity to comment on the Securities and Exchange Commission’s (the “**SEC**”) proposed rule release (“**Proposal**”)<sup>2</sup> regarding the proposed amendments to Rule 206(4)-1 (the “**Advertising Rule**”) and Rule 206(4)-3 (the “**Solicitation Rule**”), both under Section 206 of the Investment Advisers Act of 1940, as amended. The LSTA is a not-for-profit trade association consisting of a broad and diverse membership involved in the origination, syndication, and trading of commercial loans. Nearly 40% of our more than 500 members are SEC-registered investment advisers. We recognize both the importance of protecting investors and modernizing investment adviser regulation, and we strongly support the SEC’s vital role in achieving these objectives.

The LSTA concurs with and supports the analyses, commentary and recommendations in the joint comment letter dated February 10, 2020, submitted by Managed Funds Association (“**MFA**”) and the Alternative Investment Management Association (“**AIMA**,” and together with MFA, the “**Associations**”). We strongly believe that the recommendations set forth in the Associations’ letter strike an appropriate balance between the concerns of the investment adviser industry and the SEC’s essential goals of protecting investors and simultaneously updating the Advertising Rule and Solicitation Rule to reflect technological and other developments in the investment adviser industry and its practices. We respectfully request that the SEC take into consideration the Associations’ recommendations when adopting its final rules.

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<sup>1</sup> The LSTA is a not-for-profit trade association that is made up of a broad and diverse membership involved in the origination, syndication and trading of commercial loans. The more than 500 members of the LSTA include commercial banks, investment banks, investment advisers, broker-dealers, hedge funds, mutual funds, insurance companies, fund managers and other institutional lenders, as well as law firms, service providers and vendors. The LSTA undertakes a wide variety of activities to foster the development of policies and market practices designed to promote just and equitable marketplace principles and to encourage cooperation and coordination with firms facilitating transactions in loans. Since 1995, the LSTA has developed standardized practices, procedures and documentation to enhance market efficiency, transparency and certainty.

<sup>2</sup> See Investment Adviser Advertisements; Compensation for Solicitations, 84 Fed. Reg. 67,518, Release No. IA-5407 (Dec. 10, 2019).



We appreciate your consideration of our views on this very important Proposal. We trust that you will not hesitate to contact us if we may provide any additional information or assistance to you during this process. Please feel free to contact me at (212) 880-3003 if you have any questions regarding our comments.

Respectfully,

A handwritten signature in black ink that reads 'Elliot Ganz' in a cursive script.

Elliot Ganz  
General Counsel