

DAVIS POLK & WARDWELL

1300 I STREET, N.W.
WASHINGTON, D.C. 20005

1600 EL CAMINO REAL
MENLO PARK, CA 94025

99 GRESHAM STREET
LONDON EC2V 7NG

15, AVENUE MATIGNON
75008 PARIS

450 LEXINGTON AVENUE
NEW YORK, N.Y. 10017
212 450 4000
FAX 212 450 3800

WRITER'S DIRECT
212 450 4000

MESSEURM
60308 FRANKFURT AM MAIN
MARQUÉS DE LA ENSENADA, 2
28004 MADRID

1-6-1 ROPPOGI
MINATO-KU, TOKYO 106-6033

3A CHATER ROAD
HONG KONG

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Re: **File No. S7-25-06**

Ms. Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

Dear Ms. Morris:

We are writing in response to the Commission's request for comments on proposed new Rule 206(4)-8 under the Investment Advisers Act of 1940 (the "**Advisers Act**") and proposed new Rules 216 and 509 under the Securities Act of 1933 (the "**Securities Act**").¹ The Proposed Rules would (i) prohibit advisers to pooled investment vehicles from making false or misleading statements or otherwise defrauding investors or prospective investors (the "**Proposed Anti-Fraud Rule**")² and (ii) raise the requirements for natural persons to qualify as "accredited investors" in connection with the offer and sale under Regulation D or Section 4(6) of the Securities Act of interests in certain privately offered investment pools (the "**Proposed Accredited Investor Rules**")³. We appreciate the opportunity to comment on the Proposed Rules.⁴

¹ PROHIBITION OF FRAUD BY ADVISERS TO CERTAIN POOLED INVESTMENT VEHICLES; ACCREDITED INVESTORS IN CERTAIN PRIVATE INVESTMENT VEHICLES, Securities and Exchange Commission Proposing Release No. 33-8766; IA-2576; File No. S7-25-06, proposed December 27, 2006 (hereinafter referred to as the "**Proposed Rules**"). Page references to the Proposed Rules herein are to the Proposed Rules as released in Commission Proposing Release IA-2266.

² Proposed Rules at 4-14.

³ *Id.* at 14-32.

⁴ The opinions expressed herein represent those of the undersigned and not necessarily those of our clients.

