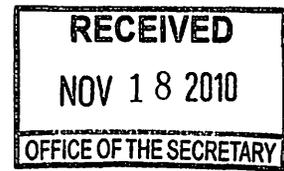


November 12, 2010



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

Re: File Number S7-25-10

Dear Ms. Murphy:

We appreciate this opportunity to comment on the Commission's proposed rule that defines "family offices" that would be excluded from "investment adviser" status under the Investment Advisers Act of 1940.

Our comment relates to subparagraph (b)(2) of proposed rule 202(a)(11)(G)-1, which would require that the company (adviser) be "wholly owned and controlled (directly or indirectly) by family members", and the Staff comment that such ownership alleviates any concern about the profit structure of the family office. The Release asks whether there are reasons that it should not be required that the family office be wholly owned by family members, and whether some minor ownership stake of non-family members should be permitted. In that regard, Note 5 reviews two situations in which exemptive orders were granted where the company was not wholly owned by family members. In Pitcairn four churches held a small interest, and in Moreland the company was wholly owned by a trust of which only half the trustees were family members.

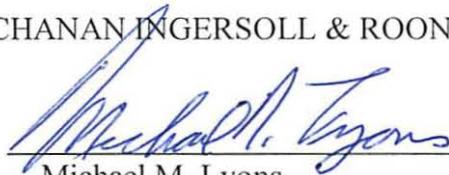
We propose that non-family employees of the company be permitted to own in the aggregate up to 20% of the company without losing the exclusion. Apparently, the Staff has not previously addressed situations where the minority interest was held by employees. Our clients believe that the ability to offer an ownership interest in the company would provide an additional means of attracting and retaining well-qualified employees. Because control of the company's investment policies and fees, and at least 80% of the ownership interests, would remain with the

family members, there should be no concern that our proposal may result in the profit motive predominating over the best interests of the family clients.

Sincerely yours,

BUCHANAN INGERSOLL & ROONEY PC

By:



Michael M. Lyons