



November 16, 2010

Elizabeth M. Murphy, Esq.
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

**Re: Proposed Rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940
File Number S7-25-10**

Dear Ms. Murphy:

Family Office Exchange LLC is a private membership-based organization of over 350 single family offices, 300 of which are in the United States. We have been in business for 21 years and are exclusively devoted to supporting family offices. We provide the industry's only source of primary research on the practices, attitudes, and services of family offices and their advisors. We have members in 49 states, and the assets under management of our members' offices average \$400 million per office.

With 21 years of experience focusing on this "industry," FOX is in a unique position of understanding the composition of America's family offices and their needs in regard to the proposed definition of "family office." Thus we feel compelled to offer this comment.

We applaud the care, speed, and understanding that the Commission has invested in the preparation of the proposed definition. It is important that final definition of "family office" be sufficiently broad to easily include the wide range of "families" the rule intends to cover. The proposed definition appears to be too restrictive to adequately cover the diverse types of families that America's family offices serve.

A basic truth we have come to understand through our long experience is that families with family offices are diverse and unique. A family that is distinguished enough to earn the amount of assets to require management by a family office is very distinct in the first place. As the family grows and evolves through succeeding generations, the permutations of family structures and activities render each family group unique. It follows that each family office that is created to serve the management needs of each family will be distinctive and vary from other family offices.

Each family decides who they consider to be family and who the family office will serve. Some choose to be very narrow in their definition while others choose to be very broad. The majority of our members, who have chosen collaboration through a family office, select a system of governance memorialized through a Family Constitution. A key element of such a document is to define the “members of the family” to be governed.

It appears that many of our family office members will fail to qualify for exemption under the proposed rule because they have a broader definition of family than the proposed rule.

The repercussions of a too restrictive definition of family is that it will involve an untold amount of time and expense on the part of the SEC to process and decide on the exemption requests as well as the effort and expense the families will bear to seek exemptions.

We believe that it is in everyone’s interests to create a rule that will apply broadly to encompass the unique circumstances of as many single family offices as possible and to avoid placing an unnecessary burden on the Commission and the families.

Further, we have reviewed and studied the letter submitted by Martin Lybecker, attorney for the Private Investors Coalition, and support his comments as accurately reflecting the concerns of the broader group of family offices based upon our 21 years of experience working with over 1,000 family groups.

Thank you for your kind attention to this matter.

Sincerely,

Sara Hamilton

Sara Hamilton
Founder and CEO
Family Office Exchange LLC