OLYMPUS PARTNERS
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Via Email to: Rule-comments@sec.gov

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

Dear Ms. Murphy:

RE: File #: S7-37-10

Proposed Rule: Exemptions for Certain Advisors: Title IV Provisions Dodd Frank

I am Managing Partner of a Stamford, CT Private Equity (PE) firm which manages institutional private equity funds under the trademark name Olympus Partners. Our focus is on the ownership and growth of private domestic companies operating in the middle market, a sector generally unable to avail itself of financing in the public market. Our business is simple. We invest capital on behalf of pension funds and endowment funds in companies to grow both the companies' and our investor's capital. Each of our investments, all of which are private, two or three are made per year, are governed by the Security Acts of 1933 and 1940. We employ nineteen people in Stamford, CT, all of our employees are fully covered by our health insurance and 401K plans. We have operated our firm with four simple policies for the last twenty-two years:

1) No personal debt other than a mortgage.
2) No donations to any official that may influence an existing/potential investor.
3) No trading in any listed equity securities not previously cleared by the managing partner.
4) No use of cell phone, blackberry in meetings (it is rude).

The Rule changes created by Dodd Frank were foisted upon the SEC without thoughtful consideration by Congress as to whether or not the SEC's existing registration/compliance/custodial process with which many private advisors were being instructed to comply was an appropriate one for Private Equity. Nor did any consideration of the cost/benefits of such compliance receive careful thought.

After careful review of SEC examination letters presented to existing registered Advisors it is apparent that the focus of the existing examination is on trading activity, trading reports, looking for clues of insider trading and safeguarding registered securities. Those are all sensible questions and objectives for firms that traffic in the public market as their daily activity. Private Equity in general, and Olympus Partners in specific, does not run a security trading business.

A simple example should serve to illustrate the square peg/round hole problem of registering Private Equity and its consequence. Olympus owns interests in eleven private companies. For each of them we have an unregistered stock certificate in our office safe. If someone were to steal the certificate tomorrow the certificates would be worthless without an accompanying executed hundred page Sale and Purchase agreement. Yet, pursuant to the custodial provisions of the Act we would have to give the eleven worthless certificates to an independent custodian and pay them $30,000 annually to mail us a report that they have the worthless certificates.

Similarly, well intended rules as compliance manuals, employee trading records, legal documentation, hiring of Compliance Managers and extra audits incur costs estimated to total $500-$600,000 that need to be incurred by us by late Spring in order to comply. The consequence of that expense 1) loss of jobs as we need to provide the money for those expenses and, 2) an assembly of information for the SEC about a business in which we do not operate, trading, will prove to be of no use in lowering systemic risk.

I realize that the SEC has been saddled with the enforcement responsibility, but conversations I have had with former SEC employees, verify my notion that Private Equity is not among the agency's historical expertise. I would like to suggest a solution that will save money and jobs at Olympus and its peers, while preserving the SEC's ability to enforce the Private Equity registration with appropriate tools.

Under Section 206B of the Investors Advisor Act of 1940 the SEC has unqualified authority to grant exemption from registration. I suggest the SEC grant a one year exemption, until July 1, 2012, to Private Equity. This is similar to the small company exemption granted under Sarbanes-Oxley. The time will allow the agency to learn more about Private Equity and either formulate appropriate requirements or extend to PE a similar exemption as that received by Venture Capital. The year will also avoid the large waste of money, 1600 PE firms x $600,000 = $1 Billion and the associated jobs that money would support. An ancillary benefit of a thoughtful look at this process would also benefit our industry's investors, pension funds and foundations, who will not see a decline in their returns as they ultimately pay this administrative charge.

I would be happy to discuss any aspects of this with you or your staff. Granting this one year exemption by the end of February is needed as the July 1, 2011 registration schedule requires PE to spend most of those sums this Spring to provide to the SEC, what I believe will be useless data.

Best regards,