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February 22, 2011

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

**Re: File Number S7-45-10  
Proposed Rules on the Registration of Municipal Advisors**

Dear Ms. Murphy:

Acacia Financial Group, Inc. is providing the following comments related to the Securities and Exchange Commission on its Proposed Rules on the Registration of Municipal Advisors. Acacia is an independent, women owned financial advisory firm that provides financial advisory services to a wide range of clients. Our clients include towns, counties, states, school districts, local and state level authorities.

Our comments are as follows:

*Natural Persons as Municipal Advisors:* Acacia believes that the registration process should apply to firms and not to individuals within a firm with the exception being sole proprietors. Registering individuals of a firm would impose a regulatory burden on small municipal advisors that is neither necessary or in the public interest. Registration should extend only to the firm, as it does now for municipal securities dealers.

*Exclusion of Municipal Entities and Their Employees:* Elected members of a governing body, appointed members of a governing body and their employees should be excluded from the definition of a municipal advisor.

*Exclusion of Swap Advisors:* We would propose that the Commission, under Section 240.15Ba1-1(d)(2)(iii), remove the exception currently proposed to the definition of Municipal Advisor for any commodity trading advisor registered under the Commodity Exchange Act or any persons associated with a commodity trading advisor, unless the registered commodity trading advisor or persons associated with the registered commodity trading advisor engages in municipal advisory activities other than advice related to swaps.

The nature of advising on swaps for municipal issuers inherently includes advice about the relative merits (ie. more favorable borrowing or investing rates) and risks (eg. counterparty risk, termination risk, basis risk, tax risk, non-committed nature of variable rate debt) implication to the overall debt structuring from the use of swaps. To propose that a swap advisor could limit their discussions to only the legal structure and business terms of the swap, without associated discussion as to the accompanying impact on the debt or investment structure is not realistic. Given the very nature of the discussion, the swap advisor should be obligated to a fiduciary duty to the issuer that is incumbent with the definition of Municipal Advisor.

*Attorney Exclusion:* As stated in the SEC release, “advice with respect to the structure, timing, terms and other similar matters” as well as attorneys who “provide advice comparing the structures, terms or associated costs of issuance of different types of securities or financial instruments (such as fixed rate bonds or variable rate demand obligations)” should be considered within the definition of traditional legal services. We vehemently disagree with this exclusion. These are not services that should be included in the definition of traditional legal services as they are at the heart of the advice that a municipal advisor provides and are directly financial in nature. We do agree that advice concerning tax consequences of financing structures or issues involving legal consequences of a course of action fall within the realm of traditional legal services. It is important to the integrity of the markets that attorneys not act as municipal advisors simply by virtue of an existing client relationship.

*Accountants and Engineers:* Acacia supports the accountant and engineering exclusions. To the extent accountants or engineers provide advice regarding municipal financial products or issuance of municipal securities, accountants and engineers should be considered Municipal Advisors.

*Proposed Form MA:* While data does need to be collected regarding Municipal Advisors, the scope of the proposed information to be collected is exhaustive and could place a burden on small municipal advisors. It may be advisable to request information similar to that requested by the SEC for Investment Advisors as some Municipal Advisors may also be registered as Investment Advisors. Assuming this information, particularly with respect to client listings and compensation arrangements, is filed on an annual basis, the impact on smaller firms would be mitigated. Given the diversity of Municipal Advisors covered under Dodd-Frank, it may be appropriate to tailor forms for various categories of advisors, instead of a one size fits all approach. Additionally, we reiterate our prior comment that firms be the registered entity, and employees be treated as associated persons.

Sincerely,



Kim M. Whelan  
Co-President