

FULTON FINANCIAL CORPORATION

P.O. BOX 4887 • LANCASTER, PENNSYLVANIA 17604

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

Dear Ms. Murphy:

Fulton Financial Corporation¹ appreciates the opportunity to comment on proposed rule issued by the Securities and Exchange Commission to establish a permanent registration system for municipal advisors under Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Section 975 establishes a system of dual registration with the Commission and the Municipal Securities Rulemaking Board that will require covered municipal advisors to comply with rules of fair dealing, ongoing education requirements, and a fiduciary duty to their municipal entity clients.

Section 975 was intended to establish a regulatory scheme for unregulated persons providing advice to municipalities with respect to municipal derivatives, guaranteed investment contracts, investment strategies or the issuance of municipal securities.

In its proposed rule, the SEC has expanded the definition of "investment strategies" to encompass any funds "held" by a municipal entity, regardless of whether such funds are related to the issuance of municipal securities or investment of bond proceeds.

The SEC's interpretation would cover traditional bank products and services such as deposit accounts, cash management products and loans to municipalities, meaning banks would have to register as municipal advisors and add a new layer of regulation on bank products for no meaningful public purpose.

This duplicate regulation will raise costs and limit the availability of financial services, ultimately harming municipal entities. We submit that this proposal conflicts with President Obama's initiative to avoid regulation that impedes economic growth and job creation.

Fulton Financial Corporation's seven banks provide a variety of products and services to state and local governmental bodies. For example, we offer deposit and cash management accounts, as well as loans to municipalities. If our banks and employees are required to register under section 975 as municipal advisors for offering basic banking services to municipal entities in the communities we serve, then we will need to re-evaluate how and at what cost we offer these services. This could result in higher costs and fewer choices for those municipalities that simply need traditional banking services rather than advice concerning the investment of proceeds of municipal securities.

¹ Fulton Financial Corporation is a \$16 billion financial holding company located in Lancaster, PA. We operate seven banks and several other companies in Pennsylvania, New Jersey, Maryland, Delaware and Virginia. We have over 270 branches in these states and each of our banks delivers in its local market area a full range of banking products in a highly personalized and community-focused style.

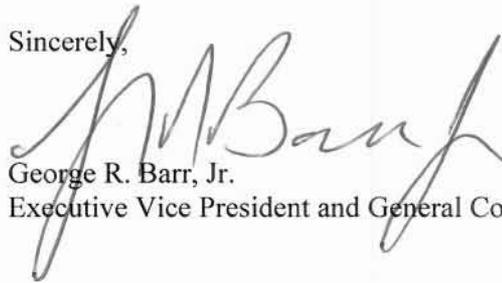
We also encourage our employees to volunteer in the communities where they live and work. In some cases this could include serving on the board of a municipal entity. Indeed, in some communities, local bankers may be the only source of much-needed financial expertise for city or county officials.

If these volunteers were to be required to register as individuals with the Commission and the MSRB, many well-qualified volunteers would be discouraged from subjecting themselves to these requirements.

For these reasons, we submit that in the final rule the SEC should clearly state that:

- Appointed members of a municipality's governing board should be deemed to be "employees" of the municipality and thus exempt from registration.
- Neither Section 975 nor its implementing regulation applies to traditional bank products and services.
- The exemption for registered investment advisers is to be extended to banks that are exempt from Investment Adviser Act registration.

Sincerely,

A handwritten signature in cursive script, appearing to read "G. R. Barr, Jr.", written in black ink.

George R. Barr, Jr.
Executive Vice President and General Counsel