



James J. Cummings
Executive Vice President
Registration and Disclosure

September 29, 2009

Diego Tomes Ruiz
Executive Director
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-2521

Dear Mr. Ruiz,

The Financial Industry Regulatory Authority Regulation (FINRA) operates the Investment Adviser Registration Depository (IARD) under a contract with the U.S. Securities and Exchange Commission (SEC). Under these agreements, FINRA is authorized to charge SEC-registered investment advisers approved filing fees based on a schedule according to the investment adviser's assets under management (AUM). These fees, when collected, along with other sources of IARD-associated revenues, are used to fund system operations and maintenance, business operations and certain SEC-directed IARD customizations.

The IARD program has been extremely successful and has consistently outperformed volume and financial projections. As a result, staff from the SEC's Division of Investment Management directed FINRA to substantially reduce filing fees. In addition, in 2006, 2008, and 2009 the SEC approved FINRA's recommendations to waive annual IARD fees and initial IARD fees for a two-year period ending October 31, 2008, a nine-month period ending July 31, 2009, and a five-month period ending December 31, 2009, respectively.

The SEC and the North American Securities Administrators Association (NASAA) have customarily set fees jointly and have had the same fee structure since 2000. However, due to the state's significant surplus, NASAA has decided to waive all filing fees for investment advisers. In light of NASAA's decision, we believe it appropriate to re-address our filing fee recommendation.

Given these new circumstances, FINRA recommends that the SEC continue part of the current fee waiver by charging reduced filing fees beginning January 1, 2010. FINRA believes that a partial fee waiver will provide the IARD program with sufficient reserves to ensure its continued operation, maintenance and growth, including development of system enhancements, software upgrades, and filer support. If the SEC decides to match NASAA's full fee waiver, FINRA estimates that the surplus would be exhausted in early 2011 causing the IARD system to incur a deficit that year. Therefore, the recommended filing fees levels are:

Annual Updating Amendment Filing Fees:

\$40 for advisers with AUM under \$25 million;
\$150 for advisers with AUM from \$25 million to \$100 million; and
\$200 for advisers with AUM over \$100 million.

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Initial Filing Fees:

\$40 for advisers with AUM under \$25 million;
\$150 for advisers with AUM from \$25 million to \$100 million; and
\$200 for advisers with AUM over \$100 million.

We stand ready to implement these partial fee waiver levels for a January 1, 2010 effective date. We recommend these fee levels be charged for at least one year in order to maintain an adequate surplus level.

We are happy to consider another effective date or different filing fee levels you deem appropriate. FINRA staff is available to answer any questions you may have regarding these fees or the IARD program overall.

Sincerely,



James J. Cummings
Executive Vice President, Registration and Disclosure

Cc: Andrew Donohue, SEC
Robert Plaze, SEC