



**Derek W. Linden**  
Executive Vice President  
and Chief Data Officer

November 12, 2010

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 this agreement, FINRA is authorized to charge approved filing fees to SEC-registered investment advisers 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, the SEC's Division of Investment Management staff directed FINRA to establish reduced and revised filing fees that will adequately cover expenses. Previously, in 2006, 2008, and 2009 the SEC approved FINRA's recommendations to waive or reduce annual IARD fees and initial IARD fees for a two-year period ending October 31, 2008, a nine-month period ending July 31, 2009, a five-month period ending December 31, 2009, and for calendar year 2010, respectively.

Given the anticipated impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act on the number of SEC-registered investment advisers, FINRA recommends that the SEC revise current fees beginning January 1, 2011 for investment advisers with assets under management of \$100 million or higher. FINRA believes that revised fees will provide the IARD program with sufficient reserves to ensure its continued operation, maintenance and

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growth, including development of system enhancements, software upgrades, and filer support. 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  
\$225 for advisers with AUM of \$100 million or higher.

Initial Filing Fees:

\$40 for advisers with AUM under \$25 million;  
\$150 for advisers with AUM from \$25 million to \$100 million; and  
\$225 for advisers with AUM of \$100 million or higher.

We recommend these fee levels be charged for at least one year in order to maintain an adequate surplus level. We stand ready to implement these revised fee levels for a January 1, 2011 effective date.

We are prepared to consider an alternate effective date or different filing fee levels if you deem that appropriate. FINRA staff is available to answer any questions you may have regarding these fees or the IARD program, overall.

Sincerely,



Derek W. Linden  
Executive Vice President  
Registration and Disclosure

Cc: Robert Plaze, SEC