



September 28, 2011

Kenneth Johnson
Chief Financial Officer
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Dear Mr. Johnson,

In July 2000, the U.S. Securities and Exchange Commission (SEC) designated the Financial Industry Regulatory Authority Regulation (FINRA) to accept electronic filings that the SEC's rules require to be filed through the Investment Adviser Registration Depository (IARD)). Since then, FINRA has operated the IARD under a contract with the SEC, providing investment advisers an electronic system to register with the SEC and to file Form ADV amendments and other investment adviser forms with the SEC. Under its agreement with the SEC, FINRA is authorized to charge approved filing fees to SEC investment advisers based on a schedule according to the investment adviser's assets under management (AUM) or other criteria. 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 SEC has informed FINRA that, starting in 2012, a new category of investment advisers, known as exempt reporting advisers, will begin periodically filing portions of Form ADV through the IARD. The SEC has also informed FINRA that, as with registered advisers, exempt reporting advisers must pay a fee that the SEC approves in order to support costs reasonably associated with these filings and related system costs. FINRA has considered the number of exempt reporting advisers that the SEC anticipates will file Form ADV, the amount of information these advisers will file and other relevant factors and, accordingly, recommends that the SEC establish a single filing fee for all exempt reporting advisers as follows:

Exempt Reporting Adviser Fee:
\$150 for initial and annual updating amendment filings

FINRA further understands that, in January 2011, the SEC proposed to require certain registered advisers managing private funds to report periodically to the SEC on a new form, titled Form PF. In the release proposing Form PF, the SEC identified certain efficiencies that may be created if FINRA were to operate the Form PF filing system and expand the existing IARD system to accommodate the confidential filing of Form PF. FINRA has studied the feasibility and expense of developing such a system and, if Form PF is adopted and the SEC determines to request that FINRA develop and maintain such a system, FINRA stands ready to undertake this expansion of the IARD system.

Under the Form PF proposal, FINRA understands that private fund advisers would be required to pay filing fees that the SEC approves in order to support costs reasonably associated with Form PF filings and related system costs. FINRA has considered the number of private fund advisers that the SEC anticipates would file Form PF, the amount of information these advisers would file and other relevant factors and, accordingly, recommends that, if Form PF is adopted and FINRA is appointed to operate the filing system, the SEC establish the following fees for these advisers:

Form PF Filing Fee:

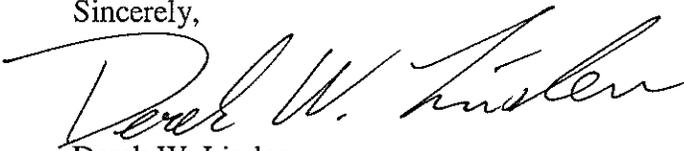
\$150 for each Form PF annual update
\$150 for each Form PF quarterly update

FINRA believes that the fees recommended above for exempt reporting advisers and private fund advisers would provide sufficient revenue to cover the expenses of programming the IARD to accept filings from exempt reporting advisers and expanding the IARD to accept Form PF filings, respectively, and to ensure its continued operation, maintenance and growth, including future development of system enhancements, software upgrades, and filer support.

We recommend these fees be charged for at least five years in order to provide adequate revenue to cover the projected expenses related to upgrading the IARD system to accept exempt reporting adviser filings and, if Form PF is adopted, developing the Form PF filing system. We will continue to review actual and projected revenue and expenses related to exempt reporting adviser filings and Form PF and recommend adjustments, if necessary, to these fees. We are prepared to implement these revised fee levels for a January 1, 2012 effective date for exempt reporting advisers and, if Form PF is adopted, a future date for Form PF.

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

Sincerely,



Derek W. Linden
Executive Vice President, Registration and Disclosure

Cc: Eileen Rominger, SEC
Robert Plaze, SEC