

**SEC EXPECTS TO CONSIDER EXTENDING THE PRIVATE ADVISER  
REGISTRATION DEADLINE UNTIL THE FIRST QUARTER OF 2012**

On April 8, 2011, Robert Plaze, Associate Director of the SEC's Division of Investment Management, in a letter addressed to David Massey, President of the North American Securities Administrators Association, Inc., stated, with respect to private investment advisers currently exempt from registration under the Investment Advisers Act of 1940, as amended, pursuant to section 203(b)(3) thereunder (the exemption upon which most hedge fund and private equity fund managers rely), that, given the time needed for such advisers to register under the Advisers Act and to come fully into compliance with the obligations applicable to them once they are registered, he expects that the SEC will consider extending the date by which such private investment advisers must so register and come into compliance until the first quarter of 2012.

The letter also states that the Associate Director expects that the SEC will issue final rules by July 21, 2011 regarding the new exemptions from registration under the Advisers Act for advisers to venture capital funds and advisers to private funds with less than \$150 million in assets under management in the United States. With respect to "mid-sized advisers" (certain advisers having between \$25 million and \$100 million in assets under management), the Associate Director expects that the SEC will also consider extending the date by which such advisers must transition to state regulation until the first quarter of 2012.

A copy of the letter may be viewed at: [www.sec.gov/rules/proposed/2010/ia-3110-letter-to-nasaa.pdf](http://www.sec.gov/rules/proposed/2010/ia-3110-letter-to-nasaa.pdf).

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