

**AMENDMENT TO DISCUSSION DRAFT OF OCTOBER
1, 2009 [PRIVATE FUND INVESTMENT ADVIS-
ERS REGISTRATION ACT OF 2009]
OFFERED BY MR. PETERS OF MICHIGAN, MR.
MEEKS OF NEW YORK, AND MR. GARRETT OF
NEW JERSEY.**

Page 10, after line 2, insert the following new section (and redesignate succeeding sections accordingly):

1 **SEC. 7. EXEMPTION OF AND REPORTING BY CERTAIN PRI-**
2 **VATE FUND ADVISERS.**

3 Section 203 of the Investment Advisers Act of 1940
4 (15 U.S.C. 80b-3), as amended by section 6, is further
5 amended by adding at the end the following new sub-
6 sections:

7 **“(m) EXEMPTION OF AND REPORTING BY CERTAIN**
8 **PRIVATE FUND ADVISERS.—**

9 **“(1) IN GENERAL.—**The Commission shall pro-
10 vide an exemption from the registration require-
11 ments under this section to any investment adviser
12 of private funds, if each of such private funds has
13 assets under management in the United States of
14 less than \$150,000,000.

1 “(2) REPORTING.—The Commission shall re-
2 quire investment advisers exempted by reason of this
3 subsection to maintain such records and provide to
4 the Commission such annual or other reports as the
5 Commission determines necessary or appropriate in
6 the public interest or for the protection of investors.

7 “(n) REGISTRATION AND EXAMINATION OF MID-
8 SIZED PRIVATE FUND ADVISERS.—In prescribing regula-
9 tions to carry out the requirements of this section with
10 respect to investment advisers acting as investment advis-
11 ers to mid-sized private funds, the Commission shall take
12 into account the size, governance, and investment strategy
13 of such funds to determine whether they pose systemic
14 risk, and shall provide for registration and examination
15 procedures with respect to the investment advisers of such
16 funds which reflect the level of systemic risk posed by such
17 funds.”.

