

**Manager's Amendment to the
Private Fund Investment Advisers Registration Act
Summary of Proposed Changes to the Discussion Draft of October 1, 2009**

The manager's amendment to the October 1, 2009 discussion draft of the Private Fund Investment Advisers Registration Act contains a number of technical, clarifying, grammatical and conforming amendments that remedy drafting errors and improve the intent of the bill. A summary of the notable changes contained in the manager's amendment follows.

Sec. 2. Definitions.

The manager's amendment broadens the definition of "private fund." In the discussion draft, the definition read that a private fund was either (1) organized under the laws of the United States or of a State or (2) had 10 percent or more of its outstanding securities by value owned by a U.S. person. Now, the amendment eliminates these qualifiers, thus broadening the definition of "private fund" to include off-shore funds managed by domestic investment advisers.

Sec. 4. Collection of Systemic Risk Data.

The manager's amendment clarifies that the optional information to be gathered by the U.S. Securities and Exchange Commission (SEC) from private fund advisers must be in accordance with the purposes of set forth in the law. In taking into account the public interest and potential to contribute to systemic risk, the SEC may set different reporting requirements for different classes of private fund advisers.

The manager's amendment also clarifies the confidentiality protections governing the information provided by private fund advisers when the SEC makes such information available to the Board of Governors of the Federal Reserve System and to any other entity that the Commission identifies as having a systemic risk responsibility.

Sec. 7. Clarification of Rulemaking Authority.

The manager's amendment extends the period of time, from 6 months to 12 months, for the SEC and Commodity Futures Trading Commission to issue rules on the form and content of the reports required to be filed with the both agencies for those entities dually registered under the Investment Advisers Act and the Commodities Exchange Act.