

AMENDMENT TO THE DISCUSSION DRAFT OF OCTOBER 1, 2009 [PRIVATE FUND INVESTMENT ADVISERS REGISTRATION ACT OF 2009] OFFERED BY MR. HIMES OF CONNECTICUT

Add at the end of the bill the following new section:

1 SEC. 8. QUALIFIED CLIENT STANDARD.

2 Section 205(e) of the Investment Advisers Act of
3 1940 (15 U.S.C. 80b-5(e)) is amended by adding at the
4 end the following: "With respect to any factor used by the
5 Commission in making a determination under this sub-
6 section, if the Commission uses a dollar amount test in
7 connection with such factor, such as a net asset threshold,
8 the Commission shall, not later than one year after the
9 date of the enactment of the Private Fund Investment Ad-
10 visers Registration Act of 2009, and every 5 years there-
11 after, adjust for the effects of inflation on such test. Any
12 such adjustment that is not a multiple of \$1,000 shall be
13 rounded to the nearest multiple of \$1,000."

