



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
ATLANTA REGIONAL OFFICE
950 EAST PACES FERRY ROAD, NE, SUITE 900
ATLANTA, GA 30326-1382

January 20, 2015

The staff of the U.S. Securities and Exchange Commission is conducting an examination of the Adviser pursuant to Section 204 of the Investment Advisers Act of 1940 (the "Advisers Act"). The purpose of the examination is to assess the Adviser's compliance with provisions of the Advisers Act and the rules thereunder, and to determine whether further review is necessary.

Additional information about compliance examinations and the examination process is included in the enclosed "*Examination Information*" brochure (SEC Form 2389). Also enclosed is information regarding the Commission's authority to obtain the information requested and additional information: "*Supplemental Information for Regulated Entities Directed to Supply Information Other Than Pursuant to a Commission Subpoena*" (SEC Form 1661).

Information is Requested

Please provide certain of the information specified in the enclosed information request list by **Thursday, January 22, 2015**. To the extent possible, the information should be provided in electronic format, preferably via secured electronic mail and on a rolling basis.

If the Adviser becomes aware of the need for delay in the production of any requested information that extends beyond the first day of the on-site examination, the Adviser should immediately contact the undersigned at the telephone number indicated. During the examination, the staff may also request additional or follow-up information, and will discuss timeframes for the Adviser to produce this information.

The On-Site Phase of Examination

The on-site phase of the examination will begin on Monday, January 26, 2015 at 9AM. The staff appreciates the Adviser's cooperation in facilitating the examination process.

We request that you make adequate office facilities available to the staff during the on-site examination, to ensure the confidentiality and efficiency of the examination. After arriving on-site, the staff would like to speak with senior management to obtain an overall view of the Adviser's organization, business, compliance program, and compliance culture. Early in the on-site portion of the examination, the staff would also like to discuss the Adviser's overall compliance program as well as specific policies and procedures with the Adviser's Chief Compliance Officer(s). Also during the on-site portion of the examination, in order to understand fully the Adviser's operations and compliance controls in these areas, the staff may also want to interview persons responsible for functions such as risk management, portfolio management, trade execution, research, back office/administration, information technology, and marketing.

As part of the pre-examination planning process, the staff actively coordinates examination oversight to ensure that regulatory efforts are not duplicative. If you have any concerns in this regard, please contact the undersigned.

Your cooperation is greatly appreciated in the examination process. If you have any questions, please contact me at

Enclosures:

Examination Information Brochure (Form 2389)

Supplemental Information (Form 1661)

Examination Information Request List

Examination Period

Information is requested for the period January 1, 2014 through December 31, 2014 (the "Examination Period") unless otherwise noted.

Organizing the Information to be Provided

Please label the information so that it corresponds to the item number in the request list. This list is divided between Part I and Part II. Items should be provided on or before the date stated at the top of Part I and Part II. If information provided is responsive to more than one request item, you may provide it only once and refer to it when responding to the other request item numbers. If any request item does not apply to your business, please indicate "N/A" (not applicable).

Please provide the information requested below and hereafter during the examination in electronic format, and please ensure that all electronic information provided is "read-only."

Please provide items 1-5 by Thursday, January 22, 2015, and the remaining items for our arrival on Monday, January 26, 2015.

1. Adviser's organization chart with ownership percentages showing the adviser, control persons, and all affiliates.
2. List of current employees, partners, officers and/or directors and their respective titles, office location, and hire date.
3. List of any of the Adviser's employees, partners, officers and/or directors who resigned or were terminated during the Examination Period and information regarding the reason for their departure.
4. Any threatened, pending and settled litigation or arbitration involving the Adviser or any "supervised person" (if the matter relates to the supervised person's association with the Adviser or a securities-related matter) including a description of the allegations, the status, and a brief description of any "out of court" or informal settlement. Note that "supervised person" is any partner, officer, director (or other person occupying a similar status or performing similar functions), or employee of an investment adviser, or other person who provides investment advice on behalf of the investment adviser and is subject to the supervision and control of the investment adviser (defined in Section 202(a)(25) of the Advisers Act). If none, please provide a written statement to that effect.
5. Part 2B of Form ADV ("Brochure Supplement") furnished to clients during the Examination Period.

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6. A list of all committees including a description of each committee's responsibilities, meeting frequency, and a list of the members of each committee. State whether the committees keep written minutes.
 7. The names and location of all affiliated and unaffiliated key service providers and the services they perform.
 8. Compliance and operational policies and procedures in effect during the Examination Period for the Adviser and its affiliates. Please be sure to also include any Code of Ethics, insider trading, fair valuation, remote office monitoring, contractor oversight, and GIPS policies and procedures that are created and maintained.
 9. Any written interim or annual compliance reviews, internal control analyses, and forensic or transactional tests performed. Include any significant findings, both positive and negative, and any information about corrective or remedial actions taken regarding these findings.
 10. A current inventory of the Adviser's compliance risks that forms the basis for its policies and procedures. Note any changes made to the inventory during the Examination Period and the dates of the changes.
 11. A record of any non-compliance with the Adviser's compliance policies and procedures and of any action taken as a result of such non-compliance.
 12. Names of all pricing services, quotation services, valuation appraisers, and externally-acquired portfolio accounting systems used in the valuation process. Also, please provide engagement agreements executed with these providers.
 13. Please provide a summary of the valuation process used during the Examination Period by security type (e.g., RMBS, CMBS, etc.) in terms of the data and models used, analysis performed, and output of the analysis. If indicative bid pricing is used, please indicate how indicative bids are obtained.
 14. A list of securities for which the price provided by a pricing service was overridden by the Adviser, sub-adviser, or Board of Directors and the date of the override.
 15. Provide the information below for any advisory account that owns a fixed income security (excluding money market funds). The preferred format for this information is in Excel.
 - a. the account number;
 - b. the account name;
 - c. account balance as of December 31, 2014;
 - d. whether the client is a related person, affiliated person, or a proprietary account;
 - e. the type of account (*e.g.*, individual, deferred benefit retirement plan, registered fund, or unregistered fund);
 - f. the account custodian and location;

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- g. whether the custodian sends periodic account statements directly to the client; whether the delivery is electronic, if so, a copy of the authorization; and the form of electronic delivery (*e.g.*, email or website login);
 - h. whether the Adviser has discretionary authority;
 - 1. whether the Adviser, an officer, an employee, or an affiliate acts as trustee, co-trustee, or successor trustee or has full power of attorney for the account;
 - J. whether the Adviser or related persons are deemed to have custody of, possession of or access to the client's assets, and if so, the location of the assets;
 - k. the investment strategy (*e.g.*, global equity, high-yield, aggressive growth, long-short, or statistical arbitrage) and the performance composite in which it is included, if any;
 - 1. the account portfolio manager(s);
 - m. whether the client has a directed brokerage arrangement, including commission recapture;
 - n. the value of each client's account that was used for purposes of calculating its advisory fee for the most recent billing period;
 - o. whether the client pays a performance fee and the most recent performance fee amount;
 - p. whether advisory fees are paid directly from the client's custodial account;
 - q. account inception date; and
 - r. name(s) of consultant(s) related to obtaining the client, if any.
16. Adviser's balance sheet, trial balance, income statement, and cash flow statement as of the end of its most recent fiscal year and the most current year to date.
17. Any documents created in the evaluation of brokerage arrangements and best execution.
18. A trade blotter for the exam period (*i.e.*, purchases and sales journal) that lists every fixed income security transaction (including all trade errors, cancellations, re-bills, and reallocations, but excluding money market transactions) for: current and former clients; proprietary and/or trading accounts and access persons. The preferred format for this information is in Excel as indicated in Exhibit 1.
19. Security cross-reference for fixed income positions owned by client accounts. The preferred format for this information is in Excel.
- a. security name;
 - b. CUSIP (or other identifier);
 - c. client name;
 - d. client account number;
 - e. quantity or principal/notional amount owned by each client;
 - f. cost basis;
 - g. whether the position was fair valued; and
 - h. market value of the position.
20. Any restricted, watch, or grey lists that were in effect for the Examination Period.

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21. A list of all trade errors during the Examination Period including date, account name, account number, security name, reason for the error, and a description of the outcome.
 22. A list of all initial public offerings and secondary offerings in which clients, proprietary accounts or access persons participated and, if not stated in policies and procedures or if the allocation did not follow standard policies and procedures, information regarding how allocation decisions were made. Include the trade date, security, symbol, total number of shares, and participating accounts. For initial public offerings, indicate whether shares traded at a premium when secondary market trading began. The preferred format for this information is in Excel.

EXHIBIT 1

Layout for Securities Trading Blotter/Purchase and Sales Journal

In conjunction with the scheduled examination, the staff requests records for all purchases and sales of securities for portfolios of advisory clients and proprietary accounts being advised. Please provide this record in Excel. This record should include the fields of information listed below in a similar format.

Please provide separate worksheets for: (i) equities (Note: ETF trades should be included with equities); (ii) fixed income; (iii) cash or cash equivalents, maturities, calls, pay-downs, expirations, or reinvestments of mutual fund dividends or capital gains distributions; (iv) mutual funds; and (v) options, futures, swaps and other derivatives.

Examples:

■ Sample Trading Blotter for Fixed-Income Securities

Client Name/#	Trade Date	Settle Date	Buy/Sell	CUSIP	Security Description 1 (Issuer)	Security Description 2 (Coupon Maturity, etc.)	Quantity	Unit Price	Accrued Interest	Principal Value/Proceeds	Total Commission	Net Amount	Roll Forward
155	4/2/98	4/6/98	B	802586AG2	SANTA ROSA CA PKG FACS DIST	4.60% 07-02-2004	50,000	100	95.83	\$50,000	0	\$50,095.83	pH

INFORMATION REQUEST LIST
LIST OF BOOKS AND RECORDS REQUESTED FOR REVIEW

Please furnish the information below. Unless otherwise indicated, please provide the requested records for the time period **January 1, 2014 through December 21, 2014** ("Inspection Period"). Copies need not be made of those records for which only access is requested. However, please have such records collected for the staffs review. While certain books and records are specifically requested, additional books and records may be requested if necessary. **Please provide items 1 - 4 by Thursday, January 22, 2015**, and the remaining items for our arrival on Monday, January 26, 2015.

The requested items pertain to the six State level fixed income funds and the corporate institutional fund.

1. A chart listing all funds underlying each RIC and the following information as of December 31, 2014 for each fund:
 - a. Registration number
 - b. Net assets
 - c. Total shares outstanding
 - d. Number of shareholder accounts
 - e. Commencement date of operations
2. Adviser's organization chart with ownership percentages showing the adviser, control persons, and all affiliates.
3. The RICs' policies and procedures adopted pursuant to the Compliance Rule.
4. A current inventory of the Adviser's compliance risks that forms the basis for its policies and procedures. Note any changes made to the inventory during the Examination Period and the dates of the changes.
5. The annual reports submitted to the RICs respective Boards of Directors/Trustees (the "Board") by the Chief Compliance Officer ("CCO") during the exam period.
6. Policy and procedures regarding disclosing, quantifying, and testing liquidity management related risks.
7. Minutes of RICs' Board meetings for the Inspection Period, meeting agenda for each meeting and, the agenda and a draft of the minutes for the most recent Board meeting(s).
8. Any internal reports created and maintained that reflect the amount of exposure to

illiquid assets.

9. Documents supporting the assessment of the RICs' liquidity and its ability to meet potential redemptions over a number of periods. The assessments may include, for example, needs and sources of fund liquidity over 1 day, 5 days, 30 days, and potentially longer periods.
10. A list of securities for which the price provided by a pricing service was overridden by the Adviser or Board of Directors and the date of the override.
11. Copies of the following service provider agreements for RICs:
 - a. Administration;
 - b. Fund accounting;
 - c. Transfer agent;
 - d. Custodian;
 - e. Auditor;
 - f. Compliance
12. Any reports or letters submitted by the independent auditors to management and/or the audit committee during the Inspection Period.
13. Documentation created and/or maintained (e.g., compliance checklists and exception reports) demonstrating the review of each fund's compliance with investment restrictions (e.g., diversification, sector allocations, international exposure, etc.).
14. Any reports to the funds' Board and/or investment advisers concerning compliance with other federal securities laws for the Inspection Period. Please include any reports of instances where the funds were "out of compliance."
15. A summary listing/pricing sheet showing net assets, portfolio securities (including ticker symbol and CUSIP) and valuation, NAV calculation, outstanding shares, and number of Shareholders as of March 31, 2014, May 31, 2014, June 30, 2014, and December 31, 2014.
16. A chart listing all Funds with the following information as of 12/31/2014:
 - a. fund/portfolio name;
 - b. share class;
 - c. registration number;
 - d. net asset value;
 - e. total shares outstanding;
 - f. number of shareholder accounts;
 - g. maximum sales load;
 - h. investment objective;

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1. portfolio turnover rate for last 2 years;
 - J. commencement date of operations; and
 - k. fund classification
 1. list of employees of the Adviser or its affiliates that performed a role for any publicly traded company or served on a creditor's committee. Include the name of the company or committee and the dates of the employee's service.
17. A trade blotter for the examination period (i.e., purchases and sales journal) that lists transactions (including all trade errors, cancellations, re-bills, and reallocations) in securities and other financial instruments for: current and former clients; proprietary and/or trading accounts and access persons. The preferred format for this information is to provide it in Excel as indicated in Exhibit 1.

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Please provide separate worksheets for: (i) equities (Note: ETF trades should be included with equities); (ii) fixed income; (iii) cash or cash equivalents, maturities, calls, pay-downs, expirations, or reinvestments of mutual fund dividends or capital gains distributions; (iv) mutual funds; and (v) options, futures, swaps and other derivatives.

Examples:

■ Sample Trading Blotter for Fixed-Income Securities

Client Name/#	Trade Date	Settle Date	Buy/Sell	CUSIP	Security Description 1 (Issuer)	Security Description 2 (Coupon Maturity, etc.)	Quantity	Unit Price	Accrued Interest	Principal Value / Proceeds	Net Total Commission	Net Amount	Broker
155	/2/98	4/6/98	B	802586AG2	SANTA ROSA CA iPKG FACS DIST	14.60% 107-02-2004	50,000	100	\$95.83	50,000	\$0	\$50,095.83	GH

Washington, D.C. 20549

Supplemental Information for Entities Directed to Supply Information to the Commission Other Than Pursuant to Commission Subpoena

A. Freedom of Information Act

The Freedom of Information Act, 5 U.S.C. 552 (the "FOIA"), generally provides for disclosure of information to the public. Rule 83 of the Commission's Rules on Information and Requests, 17 CFR 200.83, provides a procedure by which a person can make a written request that information submitted to the Commission not be disclosed under the FOIA. That rule states that no determination as to the validity of such a request will be made until a request for disclosure of the information under the FOIA is received. Accordingly, no response to a request that information not be disclosed under the FOIA is necessary or will be given until a request for disclosure under the FOIA is received. If you desire an acknowledgement of receipt of your written request that information not be disclosed under the FOIA, please provide a duplicate request, together with a stamped, self-addressed envelope.

B. Authority for Solicitation of the Information

1. Mandatory Information.
 - (a) All records of persons identified in Section 17(a) of the Securities Exchange Act of 1934 and investment advisers, including but not limited to required records, must be made available for examination by representatives of the Commission.¹ See Sections 17(a) and (b) of the Securities Exchange Act of 1934 and rules thereunder, and Section 204 of the Investment Advisers Act of 1940 and rules thereunder. Records required to be maintained and preserved pursuant to Section 31(a) of the Investment Company Act of 1940 and rules thereunder must be made available for examination by representatives of the Commission. See Section 31(b) of the Investment Company Act of 1940. Other persons subject to examination by representatives of the Commission pursuant to the Federal securities laws and rules must make certain records, as described by statute or rule, available for examination by representatives of the Commission.² See Sections 13(n)(2), 13A(c)(2), and 15F(f)(1)(C) of the Securities Exchange Act of 1934 and Section 32(c) of the Investment Company Act of 1940.
 - (b) Security-based swap execution facilities registered with the Commission are required to provide certain information to the Commission pursuant to Section 3D(d)(5) of the Securities Exchange Act of 1934.
 - (c) Persons subject to Section 106 of the Sarbanes-Oxley Act of 2002, as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act, shall make any production required by that section.
 - (d) The Commodity Exchange Act requires certain persons who are required to maintain books and records prescribed by the United States Commodity Futures Trading Commission to keep certain books and records open to inspection and examination by the Commission or representatives of the Commission.
2. Other Information. The production of information other than the records and documents described in paragraph 8.1 above is voluntary.

C. Effect of Not Supplying Information

1. Mandatory Information.
 - (a) A willful failure to permit inspection by authorized Commission personnel of the records and documents described in paragraph 8.1 may result in legal proceedings the penalty for which, upon conviction, is a fine of not more than \$5,000,000 or imprisonment for not more than 20 years, or both. When the person failing to permit inspection is a person other than a natural person, a fine not exceeding \$25,000,000 may be imposed.
 - (b) Failure to produce the records and documents described in paragraph 8.1 for inspection, and/or aiding or abetting someone in such failure may have the following consequences: (i) regulated persons may be censured or their registration and/or exchange or association status may be suspended, revoked, or subject to

¹ Section 204(a) of the Investment Advisers Act of 1940 provides that all records of investment advisers, other than investment advisers specifically exempt from registration pursuant to Section 203(b) of the Act, are subject to examination by representatives of the Commission.

² Any person that is subject to regulation and examination by a Federal financial institution regulatory agency (as defined under 18 U.S.C. 212(c)(2)) may satisfy an examination request, information request, or document request described under Section 204(d)(1) of the Investment Advisers Act or Section 31(b)(4)(A) of the Investment Company Act of 1940, by providing the Commission with a detailed listing, in writing, of the securities, deposits or credits of the client or registered investment company within the custody or use of such person. See Section 204(d)(2) of the Investment Advisers Act of 1940 and Section 31(b)(4)(B) of the Investment Company Act of 1940.

various other sanctions; (ii) members of national securities exchanges may be censured, suspended or expelled from membership; and (iii) members of a registered securities association may be censured, suspended or expelled from membership in a registered association, or subject to various other sanctions. Employees of and persons associated with the foregoing may be suspended or barred from association with regulated entities and/or they may be censured or subject to various other sanctions.

- (c) If there is a failure to permit inspection of the records and documents described in paragraph 8.1, the Commission may seek an injunction against, among other things, continuing to fail to permit an inspection. The continuance of such failure thereafter may result in civil and/or criminal sanctions for contempt of court.
 - (d) A willful refusal to comply with a request, in whole or in part, under Section 106 of the Sarbanes-Oxley Act of 2002 may result in civil or administrative remedies or sanctions.
2. Other Information. There are no direct sanctions and thus no direct effects for failure to provide all or any part of the information requested to be supplied on a voluntary basis.

D. False Statements and Documents

Section 1001 of Title 18 of the United States Code provides as follows:

[W]hoever, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and willfully--

- (1) falsifies, conceals, or covers up by any trick, scheme, or device a material fact;
- (2) makes any materially false, fictitious, or fraudulent statement or representation; or
- (3) makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry;

shall be fined under this title, imprisoned not more than 5 years . . . or both.

E. Submissions and Settlements

Rule 5(c) of the Commission's Rules on Informal and Other Procedures, 17 CFR 202.5(c), states:

Persons who become involved in . . . investigations may, on their own initiative, submit a written statement to the Commission setting forth their interests and position in regard to the subject matter of the investigation. Upon request, the staff, in its discretion, may advise such persons of the general nature of the investigation, including the indicated violations as they pertain to them, and the amount of time that may be available for preparing and submitting a statement prior to the presentation of a staff recommendation to the Commission for the commencement of an administrative or injunction proceeding. Submissions by interested persons should be forwarded to the appropriate Division Director or Regional Director with a copy to the staff members conducting the investigation and should be clearly referenced to the specific investigation to which they relate. In the event a recommendation for the commencement of an enforcement proceeding is presented by the staff, any submissions by interested persons will be forwarded to the Commission in conjunction with the staff memorandum.

The staff of the Commission routinely seeks to introduce submissions made pursuant to Rule 5(c) as evidence in Commission enforcement proceedings, when the staff deems appropriate.

Rule 5(f) of the Commission's Rules on Informal and Other Procedures, 17 CFR 202.5(f), states:

In the course of the Commission's investigations, civil lawsuits, and administrative proceedings, the staff, with appropriate authorization, may discuss with persons involved the disposition of such matters by consent, by settlement, or in some other manner. It is the policy of the Commission, however, that the disposition of any such matter may not, expressly or impliedly, extend to any criminal charges that have been, or may be, brought against any such person or any recommendation with respect thereto. Accordingly, any person involved in an enforcement matter before the Commission who consents, or agrees to consent, to any judgment or order does so solely for the purpose of resolving the claims against him in that investigative, civil, or administrative matter and not for the purpose of resolving any criminal charges that have been, or might be, brought against him. This policy reflects the fact that neither the Commission nor its staff has the authority or responsibility for instituting, conducting, settling, or otherwise disposing of criminal proceedings. That authority and responsibility are vested in the Attorney General and representatives of the Department of Justice.

F. Principal Uses of Information

The Commission's principal purpose in soliciting the information is to gather facts in order to determine whether any person has violated, is violating, or is about to violate any provision of the federal securities laws or rules for which the Commission has enforcement authority, such as rules of securities exchanges and the rules of the Municipal Securities Rulemaking Board. Facts developed may, however, constitute violations of other laws or rules. Information provided may be used in Commission and other agency enforcement proceedings. Unless the Commission or its staff explicitly agrees to the contrary

in writing, you should not assume that the Commission or its staff acquiesces in, accedes to, or concurs or agrees with, any position, condition, request, reservation of right, understanding, or any other statement that purports, or may be deemed, to be or to reflect a limitation upon the Commission's receipt, use, disposition, transfer, or retention, in accordance with applicable law, of information provided.

G. Routine Uses of Information

The Commission often makes its files available to other governmental agencies, particularly United States Attorneys and state prosecutors. There is a likelihood that information supplied by you will be made available to such agencies where appropriate. Whether or not the Commission makes its files available to other governmental agencies is, in general, a confidential matter between the Commission and such other governmental agencies.

Set forth below is a list of the routine uses which may be made of the information furnished.

1. To appropriate agencies, entities, and persons when (a) it is suspected or confirmed that the security or confidentiality of information in the system of records has been compromised; (b) the SEC has determined that, as a result of the suspected or confirmed compromise, there is a risk of harm to economic or property interests, identity theft or fraud, or harm to the security or integrity of this system or other systems or programs (whether maintained by the SEC or another agency or entity) that rely upon the compromised information; and (c) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with the SEC's efforts to respond to the suspected or confirmed compromise and prevent, minimize, or remedy such harm.
2. To other federal, state, local, or foreign law enforcement agencies; securities self-regulatory organizations; and foreign financial regulatory authorities to assist in or coordinate regulatory or law enforcement activities with the SEC.
3. To national securities exchanges and national securities associations that are registered with the SEC, the Municipal Securities Rulemaking Board; the Securities Investor Protection Corporation; the Public Company Accounting Oversight Board; the federal banking authorities, including, but not limited to, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation; state securities regulatory agencies or organizations; or regulatory authorities of a foreign government in connection with their regulatory or enforcement responsibilities.
4. By SEC personnel for purposes of investigating possible violations of, or to conduct investigations authorized by, the federal securities laws.
5. In any proceeding where the federal securities laws are in issue or in which the Commission, or past or present members of its staff, is a party or otherwise involved in an official capacity.
6. In connection with proceedings by the Commission pursuant to Rule 102(e) of its Rules of Practice, 17 CFR 201.102(e).
7. To a bar association, state accountancy board, or other federal, state, local, or foreign licensing or oversight authority; or professional association or self-regulatory authority to the extent that it performs similar functions (including the Public Company Accounting Oversight Board) for investigations or possible disciplinary action.
8. To a federal, state, local, tribal, foreign, or international agency, if necessary to obtain information relevant to the SEC's decision concerning the hiring or retention of an employee; the issuance of a security clearance; the letting of a contract; or the issuance of a license, grant, or other benefit.
9. To a federal, state, local, tribal, foreign, or international agency in response to its request for information concerning the hiring or retention of an employee; the issuance of a security clearance; the reporting of an investigation of an employee; the letting of a contract; or the issuance of a license, grant, or other benefit by the requesting agency, to the extent that the information is relevant and necessary to the requesting agency's decision on the matter.
10. To produce summary descriptive statistics and analytical studies, as a data source for management information, in support of the function for which the records are collected and maintained or for related personnel management functions or manpower studies; may also be used to respond to general requests for statistical information (without personal identification of individuals) under the Freedom of Information Act.
11. To any trustee, receiver, master, special counsel, or other individual or entity that is appointed by a court of competent jurisdiction, or as a result of an agreement between the parties in connection with litigation or administrative proceedings involving allegations of violations of the federal securities laws (as defined in section 3(a)(47) of the Securities Exchange Act of 1934, 15 U.S.C. 78c(a)(47)) or pursuant to the Commission's Rules of Practice, 17 CFR 201.100 – 900 or the Commission's Rules of Fair Fund and Disgorgement Plans, 17 CFR 201.1100-1106, or otherwise, where such trustee, receiver, master, special counsel, or other individual or entity is specifically designated to perform particular functions with respect to, or as a result of, the pending action or proceeding or in connection with the administration and enforcement by the Commission of the federal securities laws or the Commission's Rules of Practice or the Rules of Fair Fund and Disgorgement Plans.

12. To any persons during the course of any inquiry, examination, or investigation conducted by the SEC's staff, or in connection with civil litigation, if the staff has reason to believe that the person to whom the record is disclosed may have further information about the matters related therein, and those matters appeared to be relevant at the time to the subject matter of the inquiry.

13. To interns, grantees, experts, contractors, and others who have been engaged by the Commission to assist in the performance of a service related to this system of records and who need access to the records for the purpose of assisting the Commission in the efficient administration of its programs, including by performing clerical, stenographic, or data analysis functions, or by reproduction of records by electronic or other means. Recipients of these records shall be required to comply with the requirements of the Privacy Act of 1974, as amended, 5 U.S.C. 552a.

14. In reports published by the Commission pursuant to authority granted in the federal securities laws (as such term is defined in section 3(a)(47) of the Securities Exchange Act of 1934, 15 U.S.C. 78c(a)(47)), which authority shall include, but not be limited to, section 21(a) of the Securities Exchange Act of 1934, 15 U.S.C. 78u(a)).

15. To members of advisory committees that are created by the Commission or by Congress to render advice and recommendations to the Commission or to Congress, to be used solely in connection with their official designated functions.

16. To any person who is or has agreed to be subject to the Commission's Rules of Conduct, 17 CFR 200.735-1 to 200.735-18, and who assists in the investigation by the Commission of possible violations of the federal securities laws (as such term is defined in section 3(a)(47) of the Securities Exchange Act of 1934, 15 U.S.C. 78c(a)(47)), in the preparation or conduct of enforcement actions brought by the Commission for such violations, or otherwise in connection with the Commission's enforcement or regulatory functions under the federal securities laws.

17. To a Congressional office from the record of an individual in response to an inquiry from the Congressional office made at the request of that individual.

18. To members of Congress, the press, and the public in response to inquiries relating to particular Registrants and their activities, and other matters under the Commission's jurisdiction.

19. To prepare and publish information relating to violations of the federal securities laws as provided in 15 U.S.C. 78c(a)(47)), as amended.

20. To respond to subpoenas in any litigation or other proceeding.

21. To a trustee in bankruptcy.

22. To any governmental agency, governmental or private collection agent, consumer reporting agency or commercial reporting agency, governmental or private employer of a debtor, or any other person, for collection, including collection by administrative offset, federal salary offset, tax refund offset, or administrative wage garnishment, of amounts owed as a result of Commission civil or administrative proceedings.

Small Business Owners: The SEC always welcomes comments on how it can better assist small businesses. If you would like more information, or have questions or comments about federal securities regulations as they affect small businesses, please contact the Office of Small Business Policy, in the SEC's Division of Corporation Finance, at 202-551-3460. If you would prefer to comment to someone outside of the SEC, you can contact the Small Business Regulatory Enforcement Ombudsman at <http://www.sba.gov/ombudsman> or toll free at 888-REG-FAIR. The Ombudsman's office receives comments from small businesses and annually evaluates federal agency enforcement activities for their responsiveness to the special needs of small business.

Supplemental Information for Persons Requested to Supply Information Voluntarily to the Commission's Examination Staff

A. Introduction

This document is being provided to you because the Commission's examination staff has requested that you voluntarily provide information. For your reference, this document describes the principal purposes that the information may be used for, the Commission's statutory authority for soliciting the information, the effects of not supplying information or of supplying false information, the routine uses of information provided, and how to request confidential treatment for the information provided.

The examination program's mission is to protect investors, ensure market integrity and support responsible capital formation through risk-focused strategies that: (1) improve compliance; (2) prevent fraud; (3) monitor risk; and (4) inform policy. Please visit the following website for more information about the examination program <http://www.sec.gov/about/offices/ocie.shtml>.

B. Principal Uses of information

The Commission's principal purposes in soliciting the information are:

1. Asset Verification: To obtain independent confirmations of account balances or positions from various persons over whom the Commission does not have examination authority, including clients or shareholders;
2. Risk Assessment: To monitor risk and gather information about areas of interest or concern to the Commission; and
3. Assist with Examinations and Other Inquiries: To gather facts in order to determine whether an entity or person is complying with applicable federal securities laws and rules, and to determine whether any entity or person has violated, is violating, or is about to violate any provision of the federal securities laws or rules for which the Commission has enforcement authority, such as rules of securities exchanges and the rules of the Municipal Securities Rulemaking Board. Facts developed may, however, constitute violations of other laws or rules. Information provided may be used in Commission and other agency enforcement proceedings.

Unless the Commission or its staff explicitly agrees to the contrary in writing, you should not assume that the Commission or its staff acquiesces in, accedes to, or concurs or agrees with, any position, condition, request, reservation of right, understanding, or any other statement that purports, or may be deemed, to be or to reflect a limitation upon the Commission's receipt, use, disposition, transfer, or retention, in accordance with applicable law, of information provided.

C. Authority for Solicitation of the Information

One or more of the following provisions authorizes the Commission to solicit the information requested: Section 20 of the Securities Act of 1933; Section 21 of the Securities Exchange Act of 1934; Section 321 of the Trust Indenture Act of 1939; Section 42 of the Investment Company Act of 1940; Section 209 of the Investment Advisers Act of 1940, and 17 CFR 202.5. Disclosure of the requested information to the Commission is voluntary on your part.

D. Effect of Not Supplying Information

There are no direct sanctions and thus no direct effects for failure to provide all or any part of the information requested to be supplied on a voluntary basis.

E. False Statements and Documents

Section 1001 of Title 18 of the United States Code provides as follows:

whoever, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States knowingly and willfully (1) falsifies, conceals, or covers up by any trick, scheme, or device a material fact; (2) makes any materially false, fictitious or fraudulent statement or representation; or (3) makes or uses any false writing or document knowing the same

to contain any materially false, fictitious or fraudulent statement or entry, shall be fined under this title, imprisoned not more than five years, ..., or both.

F. Routine Uses of information

The Commission often makes its files available to other governmental agencies, particularly United States Attorneys and state prosecutors. There is a likelihood that information supplied by you will be made available to such agencies where appropriate. Whether or not the Commission makes its files available to other governmental agencies is, in general, a confidential matter between the Commission and such other governmental agencies.

Set forth below is a list of the routine uses which may be made of the information furnished.

1. To appropriate agencies, entities, and persons when (a) it is suspected or confirmed that the security or confidentiality of information in the system of records has been compromised; (b) the SEC has determined that, as a result of the suspected or confirmed compromise, there is a risk of harm to economic or property interests, identity theft or fraud, or harm to the security or integrity of this system or other systems or programs (whether maintained by the SEC or another agency or entity) that rely upon the compromised information; and (c) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with the SEC's efforts to respond to the suspected or confirmed compromise and prevent, minimize, or remedy such harm.
2. To other federal, state, local, or foreign law enforcement agencies; securities self-regulatory organizations; and foreign financial regulatory authorities to assist in or coordinate regulatory or law enforcement activities with the SEC.
3. To national securities exchanges and national securities associations that are registered with the SEC; the Municipal Securities Rulemaking Board; the Securities Investor Protection Corporation; the Public Company Accounting Oversight Board; the federal banking authorities, including, but not limited to, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation; state securities regulatory agencies or organizations; or regulatory authorities of a foreign government in connection with their regulatory or enforcement responsibilities.
4. By SEC personnel for purposes of investigating possible violations of, or to conduct investigations authorized by, the federal securities laws.
5. In any proceeding where the federal securities laws are in issue or in which the Commission, or past or present members of its staff, is a party or otherwise involved in an official capacity.
6. In connection with proceedings by the Commission pursuant to Rule 102(e) of its Rules of Practice, 17 CFR 201.102(e).
7. To a bar association, state accountancy board, or other federal, state, local, or foreign licensing or oversight authority; or professional association or self-regulatory authority to the extent that it performs similar functions (including the Public Company Accounting Oversight Board) for investigations or possible disciplinary action.
8. To a federal, state, local, tribal, foreign, or international agency, if necessary to obtain information relevant to the SEC's decision concerning the hiring or retention of an employee; the issuance of a security clearance; the letting of a contract; or the issuance of a license, grant, or other benefit.
9. To a federal, state, local, tribal, foreign, or international agency in response to its request for information concerning the hiring or retention of an employee; the issuance of a security clearance; the reporting of an investigation of an employee; the letting of a contract; or the issuance of a license, grant, or other benefit by the requesting agency, to the extent that the information is relevant and necessary to the requesting agency's decision on the matter.
10. To produce summary descriptive statistics and analytical studies, as a data source for management information, in support of the function for which the records are collected and maintained or for related personnel management functions or manpower studies; may also be used to respond to general requests for statistical information (without personal identification of individuals) under the Freedom of Information Act.
11. To any trustee, receiver, master, special counsel, or other individual or entity that is appointed by a court of competent jurisdiction, or as a result of an agreement between the parties in connection with litigation or administrative proceedings involving allegations of violations of the federal securities laws (as defined in section 3(a)(47) of the Securities Exchange Act of 1934, 15 U.S.C. 78c(a)(47)) or pursuant to the Commission's Rules of Practice, 17 CFR 201.100- 900 or the Commission's Rules of Fair Fund and Disgorgement Plans, 17 CFR 201.1100-1106, or otherwise, where such trustee, receiver, master, special counsel, or other individual or entity is

specifically designated to perform particular functions with respect to, or as a result of, the pending action or proceeding or in connection with the administration and enforcement by the Commission of the federal securities laws or the Commission's Rules of Practice or the Rules of Fair Fund and Disgorgement Plans.

12. To any persons during the course of any inquiry, examination, or investigation conducted by the SEC's staff, or in connection with civil litigation, if the staff has reason to believe that the person to whom the record is disclosed may have further information about the matters related therein, and those matters appeared to be relevant at the time to the subject matter of the inquiry.

13. To interns, grantees, experts, contractors, and others who have been engaged by the Commission to assist in the performance of a service related to this system of records and who need access to the records for the purpose of assisting the Commission in the efficient administration of its programs, including by performing clerical, stenographic, or data analysis functions, or by reproduction of records by electronic or other means. Recipients of these records shall be required to comply with the requirements of the Privacy Act of 1974, as amended, 5 U.S.C. 552a.

14. In reports published by the Commission pursuant to authority granted in the federal securities laws (as such term is defined in section 3(a)(47) of the Securities Exchange Act of 1934, 15 U.S.C. 78c(a)(47)), which authority shall include, but not be limited to, section 21(a) of the Securities Exchange Act of 1934, 15 U.S.C. 78u(a).

15. To members of advisory committees that are created by the Commission or by Congress to render advice and recommendations to the Commission or to Congress, to be used solely in connection with their official designated functions.

16. To any person who is or has agreed to be subject to the Commission's Rules of Conduct, 17 CFR 200.735-1 to 200.735-18, and who assists in the investigation by the Commission of possible violations of the federal securities laws (as such term is defined in section 3(a)(47) of the Securities Exchange Act of 1934, 15 U.S.C. 78c(a)(47)), in the preparation or conduct of enforcement actions brought by the Commission for such violations, or otherwise in connection with the Commission's enforcement or regulatory functions under the federal securities laws.

17. To a Congressional office from the record of an individual in response to an inquiry from the Congressional office made at the request of that individual.

18. To members of Congress, the press, and the public in response to inquiries relating to particular Registrants and their activities, and other matters under the Commission's jurisdiction.

19. To prepare and publish information relating to violations of the federal securities laws as provided in 15 U.S.C. 78c(a)(47), as amended.

20. To respond to subpoenas in any litigation or other proceeding.

21. To a trustee in bankruptcy.

22. To any governmental agency, governmental or private collection agent, consumer reporting agency or commercial reporting agency, governmental or private employer of a debtor, or any other person, for collection, including collection by administrative offset, federal salary offset, tax refund offset, or administrative wage garnishment, of amounts owed as a result of Commission civil or administrative proceedings.

G. Freedom of Information Act

The Freedom of Information Act, 5 U.S.C. 552 (the "FOIA"), generally provides for disclosure of information to the public. Rule 83 of the Commission's Rules on Information and Requests, 17 CFR 200.83, provides a procedure by which a person can make a written request that information submitted to the Commission not be disclosed under the FOIA. That rule states that no determination as to the validity of such a request will be made until a request for disclosure of the information under the FOIA is received. Accordingly, no response to a request that information not be disclosed under the FOIA is necessary or will be given until a request for disclosure under the FOIA is received. If you desire an acknowledgement of receipt of your written request that information not be disclosed under the FOIA, please provide a duplicate request, together with a stamped, self-addressed envelope.

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Small Business Owners: The SEC always welcomes comments on how it can better assist small businesses. If you have comments about a voluntary request for information you received from staff in the SEC's examination program, please contact the Office of Small Business Policy, in the SEC's Division of Corporation Finance, at 202-551-3460. If you would prefer to comment to someone outside of the SEC, you can contact the Small Business Regulatory

Enforcement Ombudsman at <http://www.sba.gov/ombudsman> or toll free at 888-REG-FAIR. The Ombudsman's office receives comments from small businesses and annually evaluates federal agency enforcement activities for their responsiveness to the special needs of small business.