

Sample SEC Document Request Letter

San Francisco Regional Office

***U.S. SECURITIES AND EXCHANGE COMMISSION
San Francisco Regional Office
44 Montgomery Street, Suite 2800
San Francisco, California
94104-4802***

January 27, 2016

DELIVERY VIA ENCRYPTED EMAIL

Re:

Dear:

As we discussed today, the staff of the U.S. Securities and Exchange Commission is conducting a limited scope examination of Registrant pursuant to Section 204 of the Investment Advisers Act of 1940 ("Advisers Act"). As part of our process, we request that you provide the following items no later than **February 10, 2016**. For any request item that is not applicable, please indicate on a separate sheet using Registrant's letterhead the reasons that item(s) is/(are) not applicable.

The staff's preference is for these documents to be produced electronically through Accelion or secured e-mail ("Smail"). If the documents requested are produced on a disc or on some other form of electronic media, please consider encrypting or password-protecting it. Unless otherwise stated, the Examination Period of review is January 1, 2014 to December 31, 2015.

1. Registrant's current organization chart showing ownership percentages of Registrant, the names of officers or control persons, and a schedule or chart of all affiliated entities. Please indicate any changes in ownership that occurred in the twelve months prior to the date of this letter.

2. A list of the names of Registrant's current employees. Please include on this list each employee's name, title, and areas of responsibility, employment start date, and whether they are considered an “access person” as defined by Rule 204A-1(e)(1) under the Advisers Act.
3. A copy of the Adviser’s Form ADV, Part 2B currently furnished to clients and a copy of any disclosure document used in conjunction with, or in lieu of, Part 2B.
4. A list and description of all outside business activities for the Registrant’s current employees, officers and directors.
5. A copy of Registrant’s compliance policies and procedures, Code of Ethics and Business Continuity Plan
6. Documentation maintained regarding any compliance reviews conducted of Registrant’s policies and procedures, including any annual and/or interim reports **for the last two years**.
7. Specimen copies of any current standard client advisory contracts or agreements used by Registrant.
8. A copy of the broker dealer agreement or service agreement with [...].
9. Current fee schedule if not stated in advisory contracts or in Form ADV Part 2A.
10. Copies of any agreements for arrangements that provide compensation to Registrant, other than advisory agreements with clients.
11. List of all “commissionable products” sold to advisory clients during the Examination Period. For each product, please provide the total amount of associated:
 - a. front-end fees or commissions paid to Registrant or its advisory affiliates; and
 - b. back-end or ongoing fees or commissions paid to Registrant or its advisory affiliates.

- c. Please also provide the total amount of fees or commissions paid to each of Registrant's advisory affiliates during 2014 and 2015.
12. Specimen copies of any presentations, promotional brochures, Request for Proposals, pamphlets, or other materials routinely furnished to prospective clients or investors during the Examination Period.
13. Copies of Registrant's financial statements (balance sheet, income statement, and cash flows statement) and general ledger for the **two most recently completed fiscal years, and the most current year to date**.
14. Provide the information below for all clients as of **December 31, 2015**. The preferred format for this information is Excel.
 - a. the account number, name and current balance;
 - b. whether the client is a related person, affiliated person, or a proprietary account;
 - c. the type of account (*e.g.*, individual, defined benefit retirement plan, registered fund, or unregistered fund, etc.);
 - d. the account custodian and location;
 - e. whether or not the custodian sends periodic account statements directly to the client; whether or not the delivery is electronic, if so, a copy of the authorization; and the form of electronic delivery (*e.g.*, email or website login);
 - f. whether or not Registrant has discretionary authority;
 - g. whether Registrant, an officer, or an affiliate acts as trustee, co-trustee, or successor trustee or has full power of attorney for the account;
 - h. whether Registrant 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;

- i. 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;
 - j. the Account portfolio manager(s), including, if applicable, the name of the account's independent money manager;
 - k. type of service;
 - l. whether the client pays a performance fee and the most recent account performance figures;
 - m. whether or not advisory fees are paid directly from the client's custodial account; and
 - n. for clients obtained during the Examination Period, provide account inception date and name(s) of consultant(s) related to obtaining the client, if any.
15. Names of securities held in all client portfolios (aggregate position totals for all instruments) as of **December 31, 2015**. This record should include the security name, name of each client holding an interest, the amount owned by each client, the aggregate number of shares or principal and/or notional amount held and total market value of the position. The preferred format for this information is Microsoft Excel.
16. A trade blotter (i.e., purchases and sales journal) that lists all transactions (including all trade errors, cancellations, re-bills, and reallocations) in securities and other financial instruments (including privately offered funds) for: current and former clients, proprietary and/or trading accounts and access persons for the period **July 1, 2015** through **December 31, 2015**. The preferred format for this information is indicated in Exhibit 1 attached entitled *Layout for Securities Trading Blotter/Purchase and Sales Journal*.
17. A list of any litigation or arbitration claims filed against the Registrant or its affiliates since it registered with the Commission. Please include a brief description of the nature of the suit or claim. If no litigation or arbitration claims have been filed against the

Registrant, please provide a written statement to that effect.

18. A list of any complaints filed against the Adviser or its affiliates since it registered with the Commission. Please include a brief description of the allegations and the disposition of the complaint.
19. A list of custodians used by Registrant and amount of assets held at each custodian as of **December 31, 2015**.
20. Indicate the amount of assets managed by each independent money manager as of December 31, 2015.
21. Description of all referral arrangements and copies of solicitation agreements.

After reviewing the items provided, the staff will contact you to conduct an interview in order to gain a greater understanding of your investment advisory business, clarify the information provided, and/or to request additional documents. After the completion of this limited-scope examination, your firm may be selected for a more in-depth examination at a later date.

Additional information about the Commission's examination process is included in the enclosed brochure *Examination Information for Entities Subject to Examination or Inspection by the Commission* (SEC Form 2389). Also enclosed is *Supplemental Information for Entities Directed to Supply Information to the Commission Other Than Pursuant to Commission Subpoena* (SEC Form 1661), which provides information regarding the Commission's authority to obtain the information requested and additional information.

If you have any questions regarding the examination or requested items, please contact [...]. Your cooperation in this matter is appreciated.

Enclosures:

Form 1661

Form 2389

Accellion User Guide

Exhibit 1: Layout for Securities Trading Blotter/Purchase and Sales Journal

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 by the Fund. Please provide this record in Microsoft **Excel** format on compact discs. This record should include the fields of information listed below in a similar format.

Trade Blotter Request – List of Required Fields

Please provide all trading activities in .csv format, ending in .csv, using the fields and formatting conventions below

1. Account ID Data
Type: Text
The unique identifier for the account (*e.g.*, JKH324JLK234, 23498236, RSmith).
2. Account Description
Data Type: Text
A short description of the account (*e.g.*, Robert X. Smith Retirement Account).
3. Trade Date
Data Type: Date (ISO Standard 8601)
The standard internet date/time formats in yyyy-mm-dd (*e.g.*, 2012-04-15).
4. Trade Time
Data Type: Time
Time in 24-hour format to the highest precision available as HH:MM:SS.000 (*e.g.*, 22:56:14.267).
5. Settlement Date
Data Type: Date (ISO Standard 8601)

The standard internet date/time formats in yyyy-mm-dd (*e.g.*, 2012-04-15).

6. Trade Direction

Data Type: Text

Abbreviation codes for trade directions (*e.g.*, “BL” for Buy Long, “CS” for Cover Short, “SL” for Sell Long, “SS” for Sell Short, “SPLT” for Split, “EXP” for Expiry). Please provide another attachment to explain the abbreviation codes.

7. Trading Venue

Data Type: Text (ISO 10383 MIC)

Trading venue of where the trade occurred (*e.g.*, BATS, NYSE, OTC).

8. Quantity

Data Type: Integer

Trade quantity (*e.g.*, 1000).

9. Price

Data Type: Float

The price at which the trade was executed, without commas (*e.g.*, 99.75).

10. Notional

Data Type: Float

The total notional amount paid for the transactions.

11. Currency

Data Type: Text (ISO 4217)

The currency in which the trade price is denominated, according to the ISO 4217 standard (*e.g.*, USD).

12. Commission

Data Type: Float

This is the commission, if any, associated with the trade.

13. Fee

Data Type: Float

This is the fee, if any, associated with the trade.

14. Net Amount

Data Type: Float

Total amount paid for the trade, including fees and commissions.

15. Broker

Data Type: Text

The name of the broker associated with the trade (*e.g.*, JPMS).

16. Security Identifier

Data Type: Text

The unique identifier of the security. It can be a proprietary value unique to Registrant's trading system. Please make sure that this field is not empty.

17. Symbol

Data Type: Text

The exchange's symbol for the instrument traded (*e.g.*, MSFT or GLD).

18. Symbol Description

Data Type: Text

The description of the security (*e.g.*, Microsoft, Inc. or SPRD Gold Trust (ETF)).

19. CUSIP

Data Type: Text

The CUSIP of the instrument traded (*e.g.*, 1234567A), if applicable.

20. ISIN

Data Type: Text

The ISIN of the instrument traded, if applicable.

21. SEDOL

Data Type: Text

The SEDOL of the instrument traded, if applicable.

22. Instrument Type

Data Type: Text

The type of the instrument (*e.g.*, Equity, Fixed Income, Option, Future, Warrant).

23. Contract Size/Multiplier

Data Type: Float

The effective multiplier to derive the correct notional using the following formula: $\text{Notional} = \text{Price} \times \text{Quantity} \times \text{Multiplier}$ (e.g., the value for Equity = 1, Fixed Income = 0.01, Option = 100, and Future = contract size).

24. Adjustment Factor

Data Type: Float

If it's an equity instrument, please provide split adjustment factor. If it's a fixed income instrument, please provide amortization factor if applied. Otherwise, put default value of 1.

25. Bloomberg Ticker

Data Type: Text

Bloomberg ticker information for the security.

26. Reuter Ticker

Data Type: Text

Reuter ticker information for the security.

27. Root Ticker

Data Type: Text

The underlying equity or index ticker for the security.

For an option, it's the underlying security ticker.

For a future contract, it would be the index. For example, S&P E mini is SPX.

For fixed income, it would be the underlying equity ticker.

The underlying equity or index ticker for the security.

For an option, it's the underlying security ticker.

For a future contract, it would be the index. For example, S&P E mini is SPX.

For fixed income, it would be the underlying equity ticker.