



National Conference on
Public Employee Retirement Systems

The Voice for Public Pensions

April 25, 2022

Ms. Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F St., N.E.
Washington, D.C. 20549-1090
Submitted via email to rule-comments@sec.gov

Re: Private Fund Advisers; Documentation of Registered Investment Adviser Compliance Reviews, File No. S7-03-22

Dear Ms. Countryman:

On behalf of the National Conference on Public Employee Retirement Systems (NCPERS), we write to share our views regarding the Commission's proposed rules concerning Private Fund Advisers. We support these proposals and believe they will serve to further improve transparency in the private markets and enhance our ability as fiduciaries to meet our obligations to beneficiaries.

NCPERS is the largest trade association for public sector pension funds, representing approximately 500 funds throughout the United States and Canada. It is a unique non-profit network of public trustees, administrators, public officials, and investment professionals who collectively manage more than \$5 trillion in pension assets. Founded in 1941, NCPERS is the principal trade association working to promote and protect pensions by focusing on advocacy, research, and education, including online learning, for the benefit of public sector pension stakeholders.

NCPERS supports the proposed rule to require registered investment advisers to disclose all direct and indirect fees and expenses quarterly. We agree with Chair Gensler's assessment that the proposal "would increase transparency and would provide comparability to fund investors." Without clear and consistent disclosures, the tracking of fees and expenses charged in a private fund is exceedingly challenging. As regular reporting on costs is not currently a regulatory requirement, individual investors must engage in bilateral negotiations with fund managers to secure access to this information, typically agreed through side letter agreements rather than within the Limited Partnership Agreement (LPA).

We also encourage the Commission to closely review the comment letter on this rulemaking submitted by the Institutional Limited Partners Association (ILPA), which provides detail on the issues of importance to institutional investors, such as public pension funds.

Thank you in advance for your consideration of our views.

Hank H. Kim, Esq.

Executive Director and Counsel