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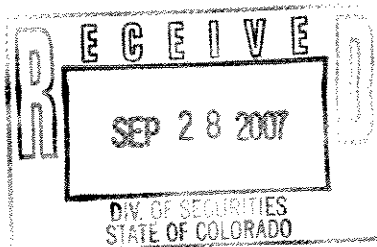
Denver • Colorado Springs • Casper

September 28, 2007

B 08-008

**BY HAND DELIVERY**

Gerald Rome, Esq.  
Deputy Securities Commissioner  
Colorado Division of Securities  
1560 Broadway, Suite 900  
Denver, CO 80202



**Re: Request for Order of Exemption for Investment Adviser**

Dear Mr. Rome:

As I mentioned briefly during our telephone conversation a while ago, we represent a company owned by an extremely wealthy Colorado family. The company (the "Consultant") provides financial management to various family members and entities formed by them. Some of the financial management duties performed by the Consultant might be construed as the providing of investment advice under Colorado law, although we submit such regulation is not required under the circumstances. The Consultant has asked us to pursue with the Division of Securities and the Commissioner the possibility of his granting an order of exemption from the investment adviser licensing requirements of the Colorado Securities Act under §11-51-402(5)(b), C.R.S.

The Consultant is a Colorado limited liability company, 99% of which is owned jointly by a family trust for the benefit of one family unit of the extended family it serves with the remaining 1% owned by the wife/mother individually. The Consultant employs 29 people, all in Colorado. None of the people employed at the Consultant would be disqualified from obtaining a license as an investment adviser representative, nor are we aware of any basis that would provide grounds for denial of an investment adviser license application by the Consultant itself. The Consultant performs background checks on each potential employee before making a hiring decision.

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The Consultant provides property management, investment management and business services such as accounting, human resources and other administrative services to the family and the entities the family has formed. The family has formed up to 23 family trusts, some formed in Colorado, some formed in California. These trusts have 14 family member beneficiaries of all ages. All but six current trust beneficiaries reside in Colorado. The six non-Colorado beneficiaries live in California. The checking accounts for those trusts that have them are in Colorado.

For purposes of investments, the family has formed three for profit Colorado limited liability companies; I will refer to them as "Equities," "Funds" and "Real Estate." Equities invests in traditional securities through various broker-dealers. Funds invests strictly in hedge funds and private equity funds. Real Estate purchases interests in limited partnerships owning real estate or holds real estate in direct partnership with another, independent company. Equities, Funds and Real Estate each has a formal Operating Agreement in place in which the relationship between the entity and the Consultant is confirmed in writing. With one exception, the beneficial owners of these companies are family members. The one exception is that one high ranking employee of the Consultant has been permitted to invest alongside family members in Real Estate, as a form of employee benefit. Finally, the family has created several charitable foundations ("Charities") that were founded by family members and for which the Consultant provides management services at no charge. Funds for the Charities are invested through a Colorado LLC, in which all of the respective Charities are members.

Per the terms of the Operating Agreements, the Consultant is paid a fee for managing Equities, Funds and Real Estate (but not Charities). The Consultant works for the family exclusively. The Consultant does not advertise in any way, shape or form, and does not hold itself out to any one other than the family and its related entities as providing investment advice. With the possible exception I will discuss in a moment, the Consultant's only securities-related clients or beneficiaries of clients are family members themselves or entities of which family members are beneficiaries.

As a potential employee benefit, the family has expressed its willingness to allow key executives of the Consultant the option to participate in the funds managed by the Consultant. Thus, the Consultant would be advising funds in which both family members entities and interested Consultant employees would invest and for which management the Consultant would be paid a fee.

During our telephone conversation, you made reference to the relief provided in a similar circumstance, to the Gates family, while they were in the process of obtaining relief from the Securities and Exchange Commission ("SEC"). The family has yet to determine if similar relief

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will be sought from the SEC, but given the length of time it took to get its relief from the SEC (several years!), we thought it most prudent to start with Colorado.

We submit that licensing simply is not necessary under these circumstances. The Consultant does not hold itself out to any person other than the family and the funds they manage for the benefit of the family and its investment entities. Although the Consultant charges a management fee for investment advisory services, the Consultant is beneficially owned entirely by family members. In essence, the family pays itself for providing investment advice to its own entities. However, absent the relief we suggest, an order of exemption, the employees of the Consultant who provide investment advisory services may nonetheless be unlicensed investment adviser representatives.

We request that you advise us as to whether the Staff would be disposed to recommend to the Commissioner that he issue an order exempting the Consultant from investment adviser licensing in Colorado pursuant to §11-51-402(5)(b), C.R.S. Should you so advise us, we would understand that an ultimate decision on your part would be contingent on knowing the actual identities of the persons involved. At that time, we would recommend to our client that it is appropriate for them to identify themselves to you. On request, we will be happy to draft a proposed order for your consideration. We understand that were such an order issued, by operation of §11-51-402(6), C.R.S., the employees would be exempt from the licensing requirement as well. Should you require additional information, we shall endeavor to provide it promptly.

In advance, thank you for your consideration and cooperation.

Respectfully,

ROTHGERBER JOHNSON & LYONS LLP



Philip A. Feigin