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April 9, 2009

Andy Lawson
Andrew Lawson & Associates
5232 Tennington Park
Dallas, Texas 75287

RE: AlphaFunds website

Dear Mr. Lawson:

This is in response to your letter dated December 31, 2008 and received by this Agency on January 5, 2009. It was supplemented by your letters dated February 19, 2009 and March 13, 2009 received via email.

Your letters describe a website named AlphaFunds to be published by your firm, Andrew Lawson and Associates. AlphaFunds would list data items of about 13,500 U.S. mutual funds. The listed data items fall into two categories: (1) raw data items like fund symbol, net assets, manager tenure, and number of positions; and (2) data items computed by you like returns over various periods, risk-adjusted returns, quantified investment style, and an overall score based on risk-adjusted return. You have represented that only publicly-traded mutual funds will be listed on the AlphaFunds site and neither AlphaFunds nor Andrew Lawson & Associates will assist subscribers in executing trades with respect to the mutual fund securities. The mutual fund data would be updated monthly. Additionally, the AlphaFunds site will contain a statement that AlphaFunds, Andrew Lawson & Associates, or the principals of either may or may not hold a position in the securities discussed.

You noted that the AlphaFunds site does not rate securities as good or bad investments; make any claims as to the financial stability of the issuers; or give outlooks on the future growth of the issuers. It will rank mutual funds (from 1 to 100) based on their risk-adjusted return. The data on the site is purely analytical and solely based on mathematical formations. The website would contain a top-twenty list of funds which displays the 20 highest ranking mutual funds in each major investment style. Ranking is based on prior returns and prior risk-adjusted returns. Regarding this listing, you have noted that it will be available to all users on an entirely impersonal basis; no special treatment would be accorded to any particular securities; no promotional material will be used in connection with the securities listed; and if price prediction information is provided, it would not be personalized to the subscriber and would be the same to any other subscriber who selected the same security.

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You have represented that there will be no one-on-one contact with the subscribers and no information will be gathered with respect to any users' specific investment needs, risk tolerances, or financial position. No investment advice would be provided to any subscriber with respect to the subscriber's specific investment situation.

Initially you do not plan to charge users a subscription fee but will generate revenue from advertising. You have represented that none of the broker-dealers advertising on the site would be affiliated in any manner with AlphaFunds or Andrew Lawson & Associates; no fees would be received from broker-dealers other than advertising revenue; and that any broker-dealer seeking to advertise on the website would be required to certify compliance with state securities laws regarding the ability of the firm to offer securities services in each of the states and that the advertisement is in compliance with regulatory requirements. You have also stated that AlphaFunds does not have any affiliates that will be offering products or services that will be made available through the AlphaFunds website.

Based upon the foregoing understanding, the staff of the State Securities Board will recommend no action to require registration of AlphaFunds, Andrew Lawson & Associates, or its principals as an investment adviser in connection with the website described above. However, given the interactive nature of electronic communications, and the ease with which a provider of general investment information could provide personalized investment advice, you are cautioned that any variance from the facts and conditions presented above could result in a different conclusion. Notwithstanding the staff's position on registration status, AlphaFunds, Andrew Lawson & Associates, and their principals would remain subject to substantive requirements and liability provisions of Texas law.

Please note that this Agency has not made an independent investigation of the facts, but has relied solely on the information you have provided. If this information is incorrect or changes substantially, the staff would reconsider the matter and the opinion stated above would be void.

I trust this letter answers your inquiry. Please feel free to write us if you need further assistance.

Very truly yours,

DENISE VOIGT CRAWFORD
Securities Commissioner

David Weaver
General Counsel

DW/ms