

May 16, 2008

Nancy M. Morris, Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Subject: Release No. IA-2711, File Number S7-10-00, Amendments to Form ADV, Part 2

Dear Nancy,

Thank you for allowing us this opportunity to submit our comments in response to the proposal for ADV, Part 2. Generally, we agree with the SEC proposed amendments. We do however have some items we would like the commission to consider for Part 2A.

- Item 4. Advisory Business – Having the ability to explain their calculation of assets under management allows the adviser to include another category of assets in addition to discretionary and non-discretionary assets currently reported. Many advisers, particularly those with fewer assets, may provide their model portfolio to another platform that pays the adviser based on assets under management, but provides the adviser no information about whether the securities in the model portfolio are purchased or if purchased whether the percentages are similar to the model portfolio. Since the adviser is not making the trade as in a non-discretionary account, SEC examination staff has frequently indicated that these assets may not be included on assets under management. In some cases these assets, for which the adviser is receiving an asset-based fee, number in the tens to hundreds of millions of dollars. Identifying these assets allows the adviser to more accurately portray the work of the firm and the total assets invested in the adviser's style.
- Item 9. Disciplinary Information – In the interest of full and fair disclosure, we would prefer to have an adviser disclose the disciplinary events identified in Items 9.A, B, and C and discuss in Part 2 why they deem the event to be non-material. This would allow the user of Part 2 to decide whether the adviser's determination of materiality is valid or not.
- Item 12. Brokerage Practices – Under Trade Aggregation, the adviser is required to describe whether and under what conditions it engages in trade aggregation. We believe that it is also appropriate that the adviser describe its allocation policies, should the aggregated trade be only partially filled.

Regards,

*Ashland Compliance Group LLC*

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