

Beacon Verification Services, LLC
Comments to Proposed Leverage and Derivative Guidance Statement

1. We are under the assumption that a risk measure must be disclosed and reported, but the guidance statement never seems to state directly that a composite utilizing leverage and/or derivatives must present and disclose an appropriate risk measure. We recommend stating in a more objective and precise manner that this information must be part of a GIPS compliant presentation, unless of course the presentation of a risk measure is voluntary/recommended.

2. We would like to see clarification on the requirement to disclose overlay assets in addition to composite assets for the overlay composite. Should the firm disclose both amounts at each year end?

We agree with all other aspects of the guidance statement. Thank you for considering our comments.

Sincerely,

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