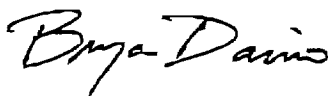


CFA Institute
CFA Centre for Financial Market Integrity
Reference: Guidance Statement on Wrap Fee/ SMA Performance
P.O. Box 3668
Charlottesville, Virginia 22903
Fax 1-434-951-5320
Email: standardsetting@cfainstitute.org

Dear PPS standards committee:

Thank you for this opportunity to share my views on the PPS standards on Separately Managed Accounts. I am a CFA charter-holder. My firm, Kayne Anderson Rudnick Investment Management, is unusual in that approximately two-thirds of our assets under management are from broker referred or "wrap" programs. This means these proposed new standards have a particularly significant impact on my firm. I have been asked by my operational and administrative colleagues to support a delay in the implementation of the standards from 1 January 2006 until 2008. My firm has one hundred product buckets at over forty different broker-sponsor partners. Each of them has its own protocols, procedures, and privileges. To obtain the appropriate back-up data from each broker-sponsor is a separate mini project unto itself. It is unrealistic to expect that all of the work can be completed in a year without taking significant risk of partial compliance and incomplete back-up. Extra-time will allow for better, more accurate results, and assure a more manageable transition to the new standards.

Sincerely,



Bryan Dario