

Item 1 - Cover Page

New Albany Capital Partners, LLC, (referred to as either “NACP” or the “Registrant”) operates as an independent Registered Investment Adviser (“RIA”). Gummer & Lewis Investment Counsel, LLC, (“GALIC”) is a single member limited liability company that is a wholly-owned subsidiary of NACP. Herein after, both entities are described as NACP. NACP maintains its RIA registration with the U.S. Securities and Exchange Commission (the “SEC”). It should be noted that this registration is for compliance purposes. Accordingly, NACP’s registration with the SEC does not imply any level of professional skill or competence conveyed by the SEC or any similar U.S. Government entity. With this brochure, the SEC requires the following specific disclosure within this Cover Page:

This brochure provides information about the qualifications and business practices of New Albany Capital Partners, LLC. If you have any questions about the contents of this brochure please contact us at (614)-944-5011. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about NACP is also available on the SEC’s website at www.adviserinfo.sec.gov.

This disclosure represents the conversion of what was formerly known as SEC Form ADV Part II (and SEC Form ADV Part 2, Schedule F) into a “plain language” format. This document is now known as SEC Form ADV Part 2A, also referred to as a “brochure.” The SEC has published a general outline of disclosure items, and the order in which these items are to be disclosed. Where applicable, we have attempted to tailor our filings to the SEC’s organizational sequence.

This form will be electronically filed with the SEC’s office of Investment Adviser Public Disclosure on or before March 31, 2011, as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”) and the Investment Advisers Act of 1940 as amended (the “40 Act”). As Dodd-Frank contains a number of complexities, it is our expectation that this disclosure may be updated frequently as interpretive guidance is made available by industry regulators, consultants, and interested parties. It is not our expectation that such guidance will materially change our portfolio operations in compliance with either Dodd-Frank or 40 Act provisions. Rather future guidance is likely to affect the manner in which our procedures are described. Material changes will be communicated to clients in accordance with existing regulations.

The effective date of this Form ADV Part 1 and ADV Part 2A update is March 25, 2011, related to our fiscal year ended December 31, 2010. NACP’s SEC file number is 801-68296.

Correspondence with regard to NACP may be directed as follows:

John N. Lewis
Managing Director
New Albany Capital Partners, LLC
4200 Regent Street, 2nd Floor
Columbus, Ohio 43219
Phone: 614-944-5011

Item 2 – Summary of Material Changes

Item 8 - With this filing, we have materially expanded the description of our security selection processes within the spirit of qualifying as a “summary” of these procedures. No material changes in the actual operation of our security selection process, however, have occurred.

Item 10 – Additional disclosures are provided related to the activities of certain independent contractors associated with NACP with regard to other financial institutions and financially related enterprises.

NACP believes that it has no other material changes to report with this update of Form ADV as it relates to our operating practices or changes to the same following the implementation of Dodd-Frank. However, as this form represents the narration of a previous “question and response” format, a number of changes, including additional descriptive matters, are incorporated herein. Clients are encouraged to read this brochure in its entirety and contact our offices with any questions they may have.

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Item 4 - Advisory Business Description

Ownership of all membership units of GALIC is held by NACP. All of NACP's ownership units are held by John N. Lewis, CFA, presently serving as NACP's Managing Director as noted in SEC Form ADV Part 1A. NACP was founded in 2007.

NACP serves several core types of advisory clients. While our clients may appear somewhat diverse, the portfolio strategies and security selection procedures remain very similar. Services to these clients are summarized as follows and may involve the following services:

A. State and Municipal Government Entities

- a. NACP presently serves as a consultant to Josh Mandel, Ohio Treasurer of State, and the Center for Public Investment Management "CPIM." For CPIM, NACP is engaged to design and teach courses to meet the specific needs of public funds managers regarding their oversight authorities as required by Ohio Revised Code sections 135.22 and 321.46
- b. NACP provides investment portfolio supervision services for municipal government entities, primarily city governments. For these clients, the following, general services are performed:
 - i. At least annually, NACP prepares and delivers an annual interest rate and macro-economic expectations report to governmental entity clients in an effort to align macro-economic expectations with client specific liquidity and portfolio needs.
 - ii. Based upon the client's liquidity needs, portfolio policy, NACP's macro-economic expectations, and other factors, various models are constructed in order to efficiently model each client's portfolio
 - iii. NACP also coordinates the purchase and sale of all positions within these supervised accounts.
 1. Assets supervised for these clients are disclosed as "discretionary" in SEC Form ADV Part 1 and SEC Form ADV Part 2A. However, it is reasonable and customary to discuss the specific character of certain securities evaluated for purchase and sale prior to the completion of an actual transaction. NACP executes these transactions on behalf of its clients directly.
 2. These portfolios are limited to high-quality, generally short to medium duration fixed-income securities, as may be more specifically identified by statutes specific to each client and each client's investment policy statement.
 - iv. NACP manages the selection of brokers eligible to transact on our clients' behalf
 1. Brokerage selection may be a function of competitively solicited bids and offers wanted for certain transactions. Additionally,

NACP may use Bloomberg, LP, TRACE and other reporting systems to independently evaluate the purchase and sale execution levels of certain securities.

2. NACP, as further described in the “Fees and Compensation” section herein, receives no compensation, directly or indirectly, related to any custodial, brokerage, or transactional activity related to client accounts.
 - v. For all governmental entities, a specific investment policy is developed and adopted for each client. These investment policy statements are reviewed periodically upon either the request of the client or NACP.
- B. NACP also serves Non-Profit organizations and provides full discretionary management of investments for non-profit organizations and individual investors. Fixed income holdings for these portfolios and the general services that may be provided are extremely similar to what is offered to municipal government entities. Non-profit organizations are permitted to hold varying levels of equity securities. These securities range from mutual funds, individual equity securities, preferred equity securities, and exchange traded funds, also summarized within responses to Item 8.
- C. NACP also manages portfolios for individual investors and related entities. Portfolio management services provided for these clients are similar to those that may be offered to non-profit organizations. However, these clients generally have a materially larger exposure to more volatile asset classes. Additionally, these portfolios may utilize option strategies, either as a risk management or speculation tool, and leverage.
- D. NACP does not participate in wrap fee programs at this time and has no material conflicts related to wrap fees to disclose.
- E. As of our most recent ADV update, NACP managed the following number of assets and accounts as of December 31, 2010:

	<u>Number of Accounts*</u>	<u>Assets Managed or Supervised</u>
Discretionary	19	151,295,047
Non-Discretionary	2	106,879
Total	21	151,401,926

*Accounts, for purposes of this filing, are grouped together based upon affiliations (i.e. husband and wife, while having separate account numbers may be considered one “account” if the styles and strategies are generally similar).

Additional information relating to the general summary of our advisory business:

- F. With regard to portfolio management services, specifically ADV Part 2A, Item 4(c), NACP endeavors to customize portfolios to the needs of each individual client. However, it is important to note that many of our clients share materially similar portfolio constraints relating to risk of loss, liquidity, and similar variables. Accordingly, many portfolios have, and will continue to have similar, even identical, holdings shared among a number of accounts.
- G. NACP also provides and seeks to provide consulting services to municipal entities seeking to evaluate capital structures, evaluate new issuance of debt obligations (public and private placements), select underwriters, legal counsel, and other consultants. These services may be offered to portfolio management clients and unrelated parties as well. All consulting and advisory services relating to this Item 4(G) are execute pursuant to separate engagement parameters, services, and fees, as more specifically negotiated between NACP and its clients on a case-by-case basis.

Item 5 - Fees and Compensation

Central to NACP's fiduciary duties to individual and institutional investors alike, NACP does not accept any form of commission related to the purchase and sale of any security held in a client account subject to management, supervision, or oversight by NACP.

NACP is compensated, generally, as a function of the client's portfolio size and complexity. All fees are negotiable based upon the size and complexity of client accounts.

As of this ADV update, maximum fee schedules for the following account types are in effect:

Portion of Account Value	Balanced Portfolios	Equity Portfolios	Fixed Income Portfolios
Below \$250,000	1.75%	1.75%	Negotiable
Between \$250,000 and \$500,000	1.50%	1.50%	Negotiable
Between \$500,000 and \$1,000,000	1.25%	1.25%	Negotiable
Between \$1,000,000 and \$2,000,000	1.00%	1.00%	Negotiable
Above \$2,000,000	Negotiable	Negotiable	Negotiable

Additional fees for consulting services to not-for-profit entities, state and municipal government entities are billed as a flat fee for service, per hour, or a combination of both.

Clients are billed according to the fee schedule outlined herein, unless otherwise agreed within the Registrant's Investment Advisory Agreement, on the account balance at the date of billing and in accordance with the Registrant's Investment Advisory Agreement. Generally, fees are invoiced on a calendar quarter cycle, four times per year. Fees are considered due and payable when invoiced. Fees will be adjusted to reflect pro rata billings in the event of a new or closed

account under a “billing in advance” or a “billing in arrears” format. Thus, clients choosing to terminate an engagement with a “billing in advance” format will be due a refund for the number of days remaining in a given billing cycle. Also, clients choosing to terminate an engagement with a “billing in arrears” will be invoiced for services provided to and including the date of termination.

Clients may be invoiced directly or have NACP’s advisory fees automatically deducted from client accounts with a Qualified Custodian. Generally speaking, municipal government and some non-profit organizations pay our fees directly by check. Other clients arrange for our fees to be automatically deducted from their accounts.

Client accounts are charged directly for all brokerage commissions, custody fees, mutual fund management fees, administrative charges, and similar services. NACP may assist clients in the negotiation and evaluation of fee schedules. However, under no circumstances is NACP considered a custodial party, agent, or similar entity.

The deduction of advisory fees, custodial fees, brokerage fees, mutual fund management fees, administrative charges, and similar charges deducted from a client’s account would be expected to negatively affect performance versus accounts that are not charged brokerage fees, custodial fees, advisory fees, mutual fund management fees, administrative charges, or a combination of any of these expenses.

As mentioned above, no employees, agents, or independent contractors associated with NACP accept any direct compensation from the sale of securities or other investment products, including asset based charges or service fees from the sale of mutual funds. In our opinion, so doing would represent a material conflict of interest that may impeach our fiduciary duty to clients.

Item 6- Performance Fees and Side-by-Side Management

At this time, NACP charges no performance based fees for any clients. Accordingly, we have no conflicts to disclose regarding distinctions between activities associated with performance based and traditional compensation matters.

Item 7 - Types of Clients

As also described in Item 4 – Advisory Business Description, NACP provides management and supervisory services for the following, general types of accounts:

1. State and Municipal Government Entities
2. Not-for-Profit Organizations
3. Individual Investors, related partnerships, and similar entities

Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

Methods of Analysis

NACP would describe its investment style as “value” in nature. NACP may use certain technical indicators in its purchase and sale decisions. However, any such inputs are subordinate to fundamental analysis of a particular holding.

Investment Strategies

As to equity security selection:

Generally, NACP employs a ranking model designed to select what it believes to be undervalued equity securities. This model utilizes the constituent members of any number of common indices (such as the S&P 500 Index) and ranks each member according to a quantitative formula assigning varying weights to the following, general index member valuation measures:

- A. Price to Earnings Ratio
- B. Price to Sales Ratio
- C. Price to Earnings Before Interest Taxes Depreciation and Amortization (EBITDA)
- D. Price to Free Cash Flow
- E. Price to Dividend Discount Valuation

NACP then organizes all constituent members from highest (most expensive) value to lowest (cheapest) value. Generally, securities falling in Deciles 8-9 are segregated for further analysis as noted below.

It is important to note that this screening model is a GUIDE. It is not the absolute determinant of a security’s inclusion or exclusion within our portfolios. NACP reserves the right, to change the ranking statistics, model weights, and other variables without notice. This, in our view, is a natural reaction to changing markets and does not constitute a material change in our management style. Moreover, NACP retains no set “time” by which these screening models are re-run. It is very possible, due to market variables, that screens could be run several times a week, or only a few times per quarter. As these screening spreads utilize constantly changing price and valuation inputs, NACP does not retain, nor does it expect to retain, historical screening records.

In the specific valuation of target securities for inclusion in our portfolios, NACP uses a combination of the following:

- A. Analysis of historical financial statements (both annually and quarterly)
- B. Expectations related to future financial performance (using both internally prepared models and certain research services made available to us by others)
- C. Company specific guidance, including company specific discussions with authorized investor-relations and management personnel

- D. Company specific press and financial press releases
- E. SEC filings (primarily 10-K, 10-Q, and 8-K)
- F. Insider ownership trends and histories
- G. Institutional ownership trends and histories
- H. Peer group relative valuation

It is important to stress that the above list is also a guideline. **NO SPECIFIC** model, tool, or other input can reasonably be expected to singularly direct our purchase or sale decisions. Furthermore, at our sole discretion, we may eliminate certain of the above referenced valuation exercises and add additional steps as we deem appropriate on a case-by-case basis. Changes to these activities are considered ordinary and necessary in the execution of our responsibilities. We do not, have not, and will not operate a static (often called “black box”) model.

NACP reserves the right to change, modify, and amend its ranking system, quantitative and qualitative valuation methodologies and other practices as needed due to changes in market conditions and the availability of technological resources.

As to fixed income security selection:

NACP relies primarily on a relative valuation methodology for identifying specific fixed income securities for inclusion in our portfolios. Among other inputs, NACP reviews spreads relative to benchmark issues (i.e. Treasuries), spreads relative to recently issued securities, option adjusted spreads for certain securities, and other inputs. As may be required by a client specific investment policy statement, varying degrees of secondary market liquidity, existing portfolio duration and convexity characteristics, and issuer restrictions are also incorporated into our selection equation. Similar to our equity security selection process, **NO SPECIFIC** model, tool, or other input can reasonably be expected to singularly direct our purchase or sale decisions.

As to Exchange Traded Funds (ETFs):

ETFs are widely utilized within our portfolios. Unlike equity securities, or fixed income securities, ETFs are not “individually” valued as they represent, in our portfolios, a basket exposure to a certain index, region, sector, or sub-index. As further described in Item 4 (above), our selection of ETFs is largely in reply to our macroeconomic expectations. Additional inputs include the specific allocations in a given account for cases in which ETFs are incorporated to produce additional diversification effects, help to achieve client specific tax planning goals, and other, central portfolio planning objectives.

As to Mutual Fund (open and closed end funds):

Unlike ETFs, mutual funds are not widely utilized within our portfolios. However, we do, from time to time, have varying degrees of exposure to certain funds and fund families. Mutual funds seek to provide a similar portfolio planning purpose as ETFs and are selected and held according to similar guidelines as noted in the preceding paragraph.

Risk of Loss

Clients must be aware that **all** investments (including U.S. Government obligations) may contain some form of price risks during an investor's holding period. A decline in price may be experienced within any asset class at a given moment in time.

In an effort to comply with the "plain language" requirement of this new brochure format, we state for the record that it is impossible to quantify all possible investment risks. However, certain risks that may be common to the types of securities held in our accounts include, but are not limited to, the following:

For certain, primarily individual clients, NACP may invest the majority of a given portfolio in common stocks. Over time, common stocks and other equity securities may have shown greater historical total returns than other types of securities. In the short-term, however, stock prices may fluctuate widely in response to company, market, economic or other news. These risks include what is known as systemic risks (the risk associated with the underlying market), and non-systemic risks (those that are company specific).

NACP frequently invests in securities (generally, common equity, preferred equity, and debt instruments) issued by companies with a material presence or operating domicile in Ohio and its contiguous States. These, of course, are not the entirety of our portfolio holdings. However, a material "overweight" may be present from time to time as compared to standard benchmarks. If NACP has invested a higher percentage of its total assets in a particular region, sector or industry, changes affecting that region, sector or industry may have a significant impact on the performance of a client's overall portfolio.

In very broad terms, NACP invests in the common stock of companies that may be considered large-cap, mid-cap, and small cap. In simple terms, NACP is not restricted, other than by client investment policy specific to allocation targets, from investing in securities of all market capitalizations. Generally, the securities of larger capitalization companies (represented by benchmarks such as the S&P 500 Index) are widely followed by professional analysts, are considered as more liquid securities, may have higher dividend yields, and similar traits as compared to small and mid-cap companies. During certain periods, small cap companies have outperformed large cap companies, and visa-versa. We maintain no internal policy designed to estimate, or "time" when we may move allocations among capitalization classifications.

With regard to debt securities, unless otherwise prohibited by a client's investment policy, NACP may invest in unrated or lower-rated fixed income securities. It is reasonable to believe that some of these securities may have a risk profile closer to that of an equity security. Compared to other debt securities, debt securities holding below investment grade ratings, BB+ and below, per Standard and Poor's (often called "junk bonds") are considered to have speculative characteristics with respect to the issuer's capacity to pay interest and repay principal according

to the terms of the obligation and, therefore, carry greater investment risk, including the possibility of default and bankruptcy. Clients should be aware that these types of securities may be less marketable and more adversely affected by economic downturns than high-quality, investment-grade debt securities. Clients should be aware that allocations to junk bonds within our portfolios are relatively minor in comparison to our allocations to investment grade debt instruments. Many securities in our portfolios that do not carry a rating of any kind may be credit enhanced by an irrevocable direct-pay letter of credit issued by an investment grade, U.S. financial institution (usually a bank).

All debt securities have varying levels of sensitivity to changes in interest rates. In general, the price of a debt security can fall when interest rates rise and can rise when interest rates fall. The term most frequently used to quantify this degree of change in price for a given change in yield is duration. Option-free fixed income securities with longer duration should be expected to be more sensitive to interest rate changes than similar structures with lower duration. As a result, changes in interest rates in the U.S. and outside the U.S. may affect a client's portfolio in an unfavorable manner.

Many debt securities held by NACP contain call provisions of varying complexity. Similar to convertible securities, discussed below, certain events could motivate an issuer to elect an early redemption (or call) option. In such a circumstance, portfolios would be forced to accept a maturity in advance of a stated maturity (the call date) resulting in the loss of future interest income after the security in question will have been called.

NACP may invest in certain convertible securities. Generally speaking, these allocations are in convertible preferred issues. The value of convertible securities will vary based on the perceived value of the equity security underlying the convertible security. Convertible securities are frequently issued with a call feature that allows the issuer to choose when to redeem the security, which could result in an account being forced to redeem, convert, or sell the convertible security under circumstances unfavorable to the client. In addition, if the value of the equity security underlying the convertible security declines enough, the convertible security may more likely to be valued as a debt security, as opposed to an equity or convertible equity security.

Item 9 – Disciplinary Information

NACP has no disciplinary information to report as a function of any citations by Federal, international or State agencies or other regulatory bodies.

Item 10 – Other Financial Industry Activities and Affiliations

1. NACP is not registered, nor has a registration pending, as a broker-dealer.

2. None of NACP's management persons are registered representatives of a broker-dealer, futures commission merchant, commodity pool operation, a commodity trading advisor, or an associated entity.
3. George A. Gummer serves as the Chairman of the Board of Directors of The First Bexley Bank ("FBB"). Mr. Gummer is the Managing Director of GALIC, a division of NACP as defined herein, and, for tax purposes, is considered an independent contractor to GALIC.
 - a. One NACP client has a deposit account relationship with FBB
 - i. Mr. Gummer receives no direct compensation related to this activity
 - ii. NACP does not charge any advisory fees related to accounts held on behalf of this client with FBB
 - iii. NACP provides no guidance as to either the size or structure of the account relationship between the client and FBB; Moreover, NACP receives no confirmation as to changes relating to this client's relationship with FBB
4. Richard J. Wayman, CFA, is employed as an independent contractor to NACP. Mr. Wayman performs other consulting projects to a number of clients. NACP holds no business relationships any clients of Mr. Wayman.
5. NACP receives no compensation related to the recommendation of other investment advisers associated with any client accounts.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

Pursuant to SEC Rule 204A-1, NACP has adopted a formal code of ethics designed to protect our clients' interests relating to our portfolio management activities. A copy of this code of ethics is available to each client upon written request.

Neither NACP nor its related persons recommend to clients or buy or sell for client accounts any securities in which NACP or its related persons have a material financial interest.

NACP does, from time to time, invest in the same securities as are held in client accounts. ***We firmly believe that it is important for us to invest in the same types of securities and, from time to time, the exact securities held in client accounts.*** In accordance with our code of ethics and a number of other regulatory procedures, we implement the following procedures related to those securities held for our benefit as well as for the benefit of our clients:

1. Block trading of individual securities
 - a. Equity securities are filled on a "block" basis with all clients, including NACP and its related parties, receiving the exact same execution price, trade date, and settlement date
 - b. Failure to execute trades on a block basis requires NACP to execute trades for its accounts and the accounts of its related parties on a subordinate priority as compared to client accounts. For example, if a security is purchased for client

accounts and NACP accounts, the client purchase order is placed in advance of the NACP purchase order

2. Open End Mutual Funds

- a. Orders are placed according to specified “cut-off” times published by the mutual fund management company, custodian, or both. Priority of orders is not a consideration in open ended mutual funds observing daily NAV adjustments.

3. Restricted Entities

- a. NACP considers Limited Brands, Inc. (LTD) is considered a restricted entity. No clients are permitted to hold shares of LTD, either long or short, without specific approval from NACP’s Chief Compliance Officer.

4. Covered persons

- a. The only person within NACP with individual access to both client positions, and pending trades is John N. Lewis, NACP’s Managing Director. Access to client account information, on a real-time basis, is restricted from all of NACP’s independent contractors by a combination of computer based identification, passwords, biometric devices, and other procedures.

1. Neither Mr. Gummer nor Mr. Wayman are permissioned to see live client positions. Neither person has advance knowledge of pending security purchases until such transactions have actually been executed.

Item 12 – Brokerage Practices

Research and other Soft Dollar Benefits

NACP has no existing or proposed agreements with any brokers regarding the payment of “soft dollar” benefits. NACP does not “markup” or “markdown” client trading accounts to obtain any form of rebate or service from dealers utilized in the transaction of client accounts. NACP has no incentive to select a broker based upon our interest in receiving certain research products as a function of our transaction activities for our clients.

NACP does utilize research services provided, without regard to transaction volumes or cost, from the following parties, some of whom are capable of executing orders on behalf of our clients:

- Credit Suisse
- Charles Schwab & Co.
- Piper Jaffray
- First Tennessee (FTN)
- Stifel Nicolaus

From hard dollars (our revenues), we pay for Bloomberg, LP, Morningstar and other resources. Bloomberg LP, specifically, is utilized daily in the review and monitoring of all portfolio positions. Bloomberg LP, also provides access to a number of third-part research and market quotation

providers. None of our activities relating to access to Bloomberg LP, is contingent upon any client activities whatsoever.

Also from hard dollars, we subscribe to a portfolio accounting system, PortfolioCenter, developed by affiliates of Charles Schwab & Co., Inc.

Brokerage for Client Referrals

NACP and its related parties, receive no referrals of client accounts from any broker or brokerage firm with whom we execute transactions. Doing so, in our opinion, may materially breach our fiduciary duties to our clients.

Directed Brokerage

NACP permits certain clients to direct brokerage. In such arrangements, it is possible that clients requesting directed brokerage arrangements may not receive the most efficient price execution as compared to non-directed brokerage arrangements. Such arrangements are handled on a case-by-case basis entirely as a function of verbal discussions.

Moreover, in certain circumstances, we have and continue to reserve the right to, with client consultation, ***deviate from the client's directed brokerage*** preferences when the fees charged by the "preferred" party materially exceed that which is available for our clients. Generally, but by no means always, such a variance may be discussed with the client directly, either before or shortly following the execution such a transaction.

To further improve execution costs, NACP seeks to aggregate orders at every opportunity. It is our belief that combining orders among clients with similar portfolio objectives and constraints should result in more favorable execution levels over time.

Item 13 - Review of Accounts

Our ability to review client accounts is closely correlated to our ability to electronically view, in real time, portfolio positions. With regard to individual accounts and non-profit accounts, these portfolios are generally reviewed on a daily basis, excepting travel, vacation, and illness related periods of absence. These portfolios generally provide daily electronic interfaces with a qualified custodian (Charles Schwab & Co., Inc.) capable of delivering daily "links" related to transactions, client deposits, withdrawals and company specific events.

For those clients with whom we do not have an electronic interface, generally municipal government entities, we internally reconcile manual records with custodial reports (electronic or physical). During 2010, specific disclosures were created to accompany all internally

prepared reports in accordance with SEC Rule 206-(4)-2 urging clients to rely upon those reports provided directly from a qualified custodian for purposes of tax and financial reporting.

Municipal government entity accounts are reviewed monthly by Richard J. Wayman, CFA, John N. Lewis, CFA , and George A. Gummer. Mr. Wayman's responsibilities are focused upon reconciling portfolio positions, cash positions and other holdings against custodial records provided to each client by their qualified custodian. Mr. Lewis reviews and approves Mr. Wayman's reports prior to distributing these materials to Mr. Gummer and NACP clients. Mr. Wayman and Mr. Gummer are considered as independent contractors to NACP for purposes of tax and regulatory reporting.

Municipal government entity accounts and certain institutional accounts may receive monthly, written (submitted via electronic mail) reports of positions, transactions, income, cash reconciliations, and similar activities.

All other clients may request more formal, frequent reporting from our offices that may be compared to their custodial records. However, other than for municipal government entities, NACP does not prepare regular and/or routine reports for purposes of portfolio analysis. This policy may be changed by either client request or our initiative. Should clients seek to receive certain reports for their internal use, clients are instructed to contact our offices.

Item 14 – Client Referrals and Other Compensation

At this time NACP has no arrangements with any party relating to referrals or other compensation agreements relating to portfolio management operations.

Item 15 – Custody

At this time NACP does not retain custody of any client funds or securities. NACP relies upon the services of a number of Qualified Custodians. NACP believes and makes periodic inquiries to confirm, on a random basis, that clients are receiving statements on a not less than quarterly basis directly from their qualified custodian.

NACP does, for certain clients, prepare internally generated statements and other reports used for portfolio analysis. Specific disclosures accompany all internally prepared reports in accordance with SEC Rule 206-(4)-2 urging clients to rely upon those reports provided directly from a qualified custodian for purposes of tax and financial reporting.

Item 16 – Investment Discretion

NACP maintains a very small number of accounts that are considered non-discretionary for purposes of SEC reporting. These accounts, totaling less than \$500,000, are handled as a courtesy and orders are placed in accordance with client instructions. However, for purposes of facilitating order execution, NACP does retain a limited power of attorney power with respect to these accounts. Despite this legal authority, we consider these accounts to be non-discretionary as all transactions are client initiated. Accordingly, these accounts are disclosed as non-discretionary for purposes of SEC reporting.

NACP maintains accounts for which a certain level of client discussion occurs prior to the placement of transaction orders in these accounts. While the legal nature of these accounts may be considered non-discretionary, clients rely upon NACP to execute transactions on their behalf as a routine matter of portfolio management. Accordingly, without regard to the level of client interaction or lack of interaction preceding a transaction, these accounts are disclosed as fully-discretionary for SEC reporting purposes.

NACP also maintains accounts that contain a limited power of attorney, involve very limited, if any, client interaction in advance of transaction placements. These accounts are also considered fully-discretionary for SEC reporting purposes.

Item 17 – Voting Client Securities

In accordance with SEC Rule 206(4)-6, NACP is willing to accept voting responsibilities for client securities. Certain clients, without regard to discretionary portfolio status, desire to retain voting authority over their accounts. In such cases, client new account paperwork will identify the client's address of record for delivery of proxy information. NACP handles voting elections, at the client account level, on a case by case basis.

As further described in our proxy voting policy statements, NACP operates as, primarily, a long-only portfolio management firm. Accordingly, securities purchased "long" are generally done so with some degree of confidence in present management. Also, NACP generally votes proxy materials in favor of management recommendations. NACP does not, and has not since its inception, created an atmosphere of activism with regard to its portfolio positions.

Additionally, every effort is made to ensure that all proxy materials are voted consistently such that one client is not placed in conflict with another client. As proxy materials are anonymous as to the client identification, it is difficult, if not impossible, to segregate votes between clients.

Should clients have a specific consideration or concern with regard to a specific voting matter, clients are encouraged to contact our offices directly. Clients may obtain a copy of our proxy voting policies and procedures upon request.

Item 18 – Financial Information

NACP does not solicit payment of more than \$1,200 per client, six months or more in advance of any service. NACP holds no funds or securities on behalf of its clients and is not required to file audited financial statements.

Item 19 – State Registered Advisers

NACP is not subject to state regulatory registration beyond “notice” filing obligations. NACP notice files in the State of Ohio.