

Uniform Application for Investment Adviser Registration

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Name of Investment Adviser: <b>Birkelbach Management Corporation Inc.</b>				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone number:
<b>208 S. LaSalle St. #1700</b>	<b>Chicago</b>	<b>IL</b>	<b>60604</b>	<b>(312) 853-2820</b>

This part of Form ADV gives information about the investment adviser and its business for the use of clients.  
The information has not been approved or verified by any governmental authority.

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

1. **A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service. (See instructions below.)

Applicant:

<input checked="" type="checkbox"/>	(1) Provides investment supervisory services . . . . .	<u>100</u> %
<input type="checkbox"/>	(2) Manages investment advisory accounts not involving investment supervisory services . . . . .	<u>        </u> %
<input type="checkbox"/>	(3) Furnishes investment advice through consultations not included in either service described above . . . . .	<u>        </u> %
<input type="checkbox"/>	(4) Issues periodicals about securities by subscription . . . . .	<u>        </u> %
<input type="checkbox"/>	(5) Issues special reports about securities not included in any service described above . . . . .	<u>        </u> %
<input type="checkbox"/>	(6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities . . . . .	<u>        </u> %
<input type="checkbox"/>	(7) On more than an occasional basis, furnishes advice to clients on matters not involving securities . . . . .	<u>        </u> %
<input type="checkbox"/>	(8) Provides a timing service . . . . .	<u>        </u> %
<input type="checkbox"/>	(9) Furnishes advice about securities in any manner not described above . . . . .	<u>        </u> %

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term? . . . . . Yes  No

C. Applicant offers investment advisory services for: (check all that apply)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management      | <input type="checkbox"/> (4) Subscription fees |
| <input checked="" type="checkbox"/> (2) Hourly charges                               | <input type="checkbox"/> (5) Commissions       |
| <input checked="" type="checkbox"/> (3) Fixed Fees (not including subscription fees) | <input checked="" type="checkbox"/> (6) Other  |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of clients** - Applicant generally provides investment advice to: (check those that apply)

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals                      | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations                    |
| <input checked="" type="checkbox"/> B. Banks or thrift institutions     | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input checked="" type="checkbox"/> C. Investment companies             | <input type="checkbox"/> G. Other (describe on Schedule F)   |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans |  |

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

- |                                     |  |                                     |  |
|-------------------------------------|--|-------------------------------------|--|
| <input type="checkbox"/>            | A. Equity securities                                       | <input type="checkbox"/>            | H. United States government securities     |
| <input checked="" type="checkbox"/> | (1) exchange-listed securities                             | <input type="checkbox"/>            | I. Options contracts on:                   |
| <input checked="" type="checkbox"/> | (2) securities traded over-the-counter                     | <input checked="" type="checkbox"/> | (1) securities                             |
| <input type="checkbox"/>            | (3) foreign issuers  | <input type="checkbox"/>            | (2) commodities                            |
| <input type="checkbox"/>            | B. Warrants  | <input type="checkbox"/>            | J. Futures contracts on:                   |
| <input type="checkbox"/>            | C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/>            | (1) tangibles                              |
| <input type="checkbox"/>            | D. Commercial paper  | <input type="checkbox"/>            | (2) intangibles                            |
| <input type="checkbox"/>            | E. Certificates of deposit                                 | <input type="checkbox"/>            | K. Interests in partnerships investing in: |
| <input type="checkbox"/>            | F. Municipal securities                                    | <input type="checkbox"/>            | (1) real estate                            |
| <input type="checkbox"/>            | G. Investment company securities:                          | <input type="checkbox"/>            | (2) oil and gas interests                  |
| <input type="checkbox"/>            | (1) variable life insurance                                | <input type="checkbox"/>            | (3) other (explain on Schedule F)          |
| <input type="checkbox"/>            | (2) variable annuities                                     | <input type="checkbox"/>            | L. Other (explain on Schedule F)           |
| <input checked="" type="checkbox"/> | (3) mutual fund shares                                     |                                     |  |

**4. Methods of Analysis, Sources of Information, and Investment Strategies.**

A. Applicant's security analysis methods include: (check those that apply)

- |   |             |   |                               |
|---|-------------|---|-------------------------------|
| (1) <input type="checkbox"/>            | Charting    | (4) <input checked="" type="checkbox"/> | Cyclical                      |
| (2) <input checked="" type="checkbox"/> | Fundamental | (5) <input type="checkbox"/>            | Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> | Technical   |   |                               |

B. The main sources of information applicant uses include: (check those that apply)

- |   |                                       |   |   |
|---|---------------------------------------|---|---|
| (1) <input checked="" type="checkbox"/> | Financial newspapers and magazines    | (5) <input checked="" type="checkbox"/> | Timing services   |
| (2) <input checked="" type="checkbox"/> | Inspections of corporate activities   | (6) <input checked="" type="checkbox"/> | Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> | Research materials prepared by others | (7) <input checked="" type="checkbox"/> | Company press releases  |
| (4) <input checked="" type="checkbox"/> | Corporate rating services             | (8) <input type="checkbox"/>            | Other (explain on Schedule F)   |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- |   |  |   |  |
|---|--|---|--|
| (1) <input checked="" type="checkbox"/> | Long term purchases<br>(securities held at least a year) | (5) <input checked="" type="checkbox"/> | Margin transactions  |
| (2) <input checked="" type="checkbox"/> | Short term purchases<br>(securities sold within a year)  | (6) <input checked="" type="checkbox"/> | Option writing, including covered options, uncovered options or spreading strategies |
| (3) <input type="checkbox"/>            | Trading (securities sold within 30 days)                 | (7) <input type="checkbox"/>            | Other (explain on Schedule F)  |
| (4) <input type="checkbox"/>            | Short sales  |   |  |

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**5. Education and Business Standards.**

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? .....  Yes  No

(If yes, describe these standards on Schedule F.)

**6. Education and Business Background**

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- year of birth
- formal education after high school
- business background for the preceding five years

**7. Other Business Activities.** (check those that apply)

- A. Applicant is actively engaged in a business other than giving investment advice.
- B. Applicant sells products or services other than investment advice to clients.
- C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations.** (check those that apply)

- A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
  - (1) broker-dealer
  - (2) investment company
  - (3) other investment adviser
  - (4) financial planning firm
  - (5) commodity pool operator, commodity trading advisor or futures commission merchant
  - (6) banking or thrift institution
  - (7) accounting firm
  - (8) law firm
  - (9) insurance company or agency
  - (10) pension consultant
  - (11) real estate broker or dealer
  - (12) entity that creates or packages limited partnerships

(For each checked in box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?  Yes  No

(If yes, describe on Schedule F the partnerships and what they invest in.)

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**9. Participation or Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services and impose a minimum dollar value of assets or other conditions for starting or maintaining an account? .....

Yes  No

(If yes, describe on Schedule F)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

**See Schedule F**

B. Describe below the nature and frequency of regular reports to clients on their accounts.

**See Schedule F**

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**12. Investment or Brokerage Discretion.**

- A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:
- |  |                                     |                                     |
|--|-------------------------------------|-------------------------------------|
|  | Yes                                 | No                                  |
| (1) securities to be bought or sold? .....               | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (2) amount of the securities to be bought or sold? ..... | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (3) broker or dealer to be used? .....                   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (4) commission rates paid? .....                         | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |

- B. Does applicant or a related person suggest brokers to clients? ..... Yes  No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- |   |   |
|---|---|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ..... | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet? ..... Yes  No

# Schedule F

## 1.A (1) Provides Investment Supervisory Services

### A. Services provided

Birkelbach Management Corp. Inc. (“BMC”) is registered with the State of Illinois as an investment advisor. BMC:

1. Manages investment advisory accounts.
2. Issues periodicals about securities, without charge.
3. Holds financial seminars, without charge.
4. Provides investment advice (fee negotiated).
5. Issues special reports and has speaking engagements on a fee negotiated basis.

### 1.D.

These services are primarily offered to: qualified individuals, banks, thrift institutions, investment companies, pension and profit sharing plans, trusts, estates, charitable organizations, foundations, ERISA accounts, corporations, other organizations, business entities, associations and the like.

### *Managed Account Services*

BMC offers a high level of attention to the needs of our Clients. Our Clients can choose from a full range of investment objectives. Our trading authorization can be full or limited and dividends can be sent or reinvested monthly depending on our Client’s objectives. The Client can choose their own broker and custodian or choose our affiliate, BIS. If BIS is chosen, please see the discussion of conflicts and other pertinent disclosures herein and in BMC’s Disclosure Document and Brochure. The Client can choose from five different objectives and they can participate or not participate in our “Socially Responsible Management” program. Investing in socially responsible issues may result in higher or lower returns than investing without this strategy.

### Fee schedule

#### Equity Accounts

<u>Account Size</u>	<u>Annual Fees</u>
• \$100,000 to \$350,000	2.00%
• \$350,000 to \$1,000,000	1.75%
• \$1,000,000 to \$2,500,000	1.00%
• \$2,500,000 to \$10,000,000	0.85%
• Over \$10,000,000	Negotiable

#### Income Accounts

<u>Account Size</u>	<u>Annual Fees</u>
• \$100,000 to \$350,000	2.00%
• \$350,000 to \$1,000,000	1.50%
• \$1,000,000 to \$2,500,000	1.00%
• \$2,500,000 to \$10,000,000	0.85%
• Over \$10,000,000	Negotiable

### **C. Termination/Refund**

The term of BMC's Investment Advisory Agreement ("Agreement") is one (1) year and shall be automatically extended each year. The Agreement, however, may be terminated on at least five (5) days written notice by either party, or at such other time as mutually agreed.

Upon notice of termination, the account may be liquidated and the proceeds deposited in a government securities money market fund or transferred to another account, or advisor or controlled by the Client, as the Client directs.

Management fees will be pro-rated to the date of termination.

For the first year the Client agrees to pay to the Advisor an early closing fee of one additional quarterly management fee, equal to the previous quarterly fee, or \$2,000, whichever is larger in order to defray the administrative costs of establishing an advisory Account.

### **Withdrawals from Account**

Client understands that Client may make partial or total withdrawals at quarter's end payable quarterly from the Account by notifying BMC, except in the event of a partial withdrawal which reduces the Account balance below the minimum level at which BMC believes, in its discretion, that the Account can be properly traded. In that event, BMC reserves the right to liquidate positions and will contact the Client as described in paragraph 12, of the Investment Advisor Agreement. Such notice of withdrawal shall not affect any of Client's Account liabilities, or payment of the Advisor's management fee.

### **Drawdown**

Client understands that BMC will seek income and/or capital appreciation over time by trading and/or investing in rapidly changing markets. If Client's Account declines to a net asset value where BMC, in its sole discretion, determines that further trading would not be prudent, BMC will stop trading in the Account, and employ whatever protective measures (e.g. purchasing, selling or writing options contracts or other derivative instruments, etc.), that BMC, in its sole discretion, believes is prudent to preserve as best as possible the value of the Account. But, further diminution in the value of the Account cannot be guaranteed. BMC will, as soon as possible, contact Client for instructions. At that time, Client may elect either to: add funds to the Account in order to engage in additional trading, transfer the Account, retain another advisor, or terminate Client's participation, and close the Account. Client will be responsible for all obligations in Client's Account, including any debit balance that may occur and payment of Advisor's management fee. No assurance can be given that Client's losses will not exceed the Account's beginning net asset value after liquidation due to adverse market conditions.

### **5. Education and Business Standards**

BMC requires that its advisory personnel have a minimum of a college education, the required registrations and licenses, experience in the securities brokerage or advisory business, or a higher education degree, Masters or above, in finance, economics and the like, in lieu of actual business experience.

Advisory personnel of BIS must have the highest integrity and a devotion to the needs of its Clients.

### **6. Educational and Business Background**

#### **Investment Advisor**

**Carl M. Birkelbach, CEO, President**  
D/O/B: 10/30/40  
Bradley University, 1962  
B.S. Finance/Economics  
CEO of BIS/BMC since 1974

## **Carl M. Birkelbach**

Carl M. Birkelbach is founder and chief executive officer of BMC, a registered investment adviser in Illinois since 1974 and BIS, which has provided a full range of brokerage services to investors since 1978. BIS is a SEC and Illinois registered securities broker dealer and a member of the securities industry self-regulatory organization ("SRO") now known as NASD-Regulation, Inc. ("NASD-DR"), (f/k/a the National Association of Securities Dealers, Inc. ("NASD")) and is a member of the Securities Investor Protection Corporation "SIPC". BIS has 25 registered representatives. BMC and BIS' offices are housed on LaSalle Street less than a block from the Chicago Board of Trade. BIS specializes in investment selections and the broker/client relationship.

Before founding BIS, Carl Birkelbach was a registered representative at McCormick & Company, wrote its weekly market letter, and became assistant sales manager and eventually vice-president and director. Prior to joining McCormick, he started his nearly 40-year investment career in the Trust Department of the Continental Illinois National Bank and Trust Company. Birkelbach is the author of "Stock Market Forecasting Through Charting," of which over 10,000 copies have been distributed. He is editor of the "Investment Strategy Letter", which reaches a U.S.-wide audience, in publication since 1975.

Carl has appeared frequently as an investment expert and securities market forecaster on television news programs and as a quoted source in journals and periodicals, including Barron's, Crain's Chicago Business, the Wall Street Journal and the Business Week Magazine.

### **Active in Environmental Protection**

Birkelbach's Socially Responsible Investing ("SRI") strategy marries his experience in investing with his devotion to environmental concerns. Birkelbach is president and founder of RIDE Inc. (Recreation for Individuals Dedicated to the Environment), a non-profit corporation which encourages "Coalition Partnerships" for the preservation and restoration of the environment. RIDE advocates public access to natural areas for: education, recreation, and spiritual enrichment through contact with nature. RIDE is a member of "Partners for Parks & Wildlife" a coalition to save Illinois Nature and Open Spaces. Birkelbach is spearheading "CARE for You" (Corporate America Respecting the Environment), a coalition of corporations sponsoring care and education for the environment.

Carl is on the Board and one of the original founders of The Friends of the Forest Preserve. He also served for 10 years on the board of the International Mountain Biking Association (IMBA) and served for 7 years on the Cook County Forest Preserve Council.

Windy City Sport Magazine named Birkelbach "Sportsperson of the Year" in 1995 and he received a Certificate of Commendation from the State of Wisconsin for his efforts in resolving conflicts over trail access in natural settings.

Birkelbach graduated in 1962 from Bradley University, in Peoria, Ill., with a Bachelor of Science Degree in Business Administration and achieved membership in Beta Gamma Sigma, honor society for business students. His alumni activities and achievements include the university's highest alumni recognition, the Lydia Moss Bradley Award, and he currently serves as a Bradley University trustee.

Birkelbach volunteered for three years as auction chairman for Chicago Public Television station WTTW, served on the Board of Stewards of Old St. Patrick's Church, Chicago, and is a member of the Union League Club of Chicago and the Olympia Fields (Ill.) Country Club. He and his wife reside in Chicago and Silverthorne, CO. He has two daughters and four grandchildren.

**7.C. Other Business Activities**

Birkelbach Investment Securities, Inc. (“BIS”) an affiliate of BMC is an Illinois corporation with its principal place of business located at:

208 S. LaSalle Street  
 Suite 1700  
 Chicago, IL 60604  
 312-853-2820  
 312-853-3183 (FAX)

As noted above, BIS is a broker-dealer in securities registered as such with the U.S. Securities and Exchange Commission, the state of Illinois, among other states, and is a member of NASD-R.

**8 C.1.** Carl M. Birkelbach is a principal of BMC and BIS.

**9 B. As broker or agent effects securities transactions for compensation for any client, participation or interest in client transactions.**

When BMC’s affiliate BIS is engaged as broker or agent effecting securities transactions for compensation for any BMC Client the following restrictions, internal procedures and disclosures are used for conflicts of interest in those transactions:

It is the policy of BMC for Client to: (i) designate a broker of their choice, (ii) negotiate the commission for such transactions and (iii) to have the right to change their designation at any time with proper written authorization. If the Client designates BIS, an affiliate of BMC as broker, BIS will execute securities trades with commissions on a negotiated basis with a minimum of .05 cents per share or \$25.00 per trade, which ever is greater. BIS may receive additional compensation from securities offered by prospectus. Clients will receive a prospectus in such cases where the securities transaction is offered by prospectus. The prospectus will indicate any mark up, commission or other fees charged to clients or received by BIS. BIS is a fully disclosed broker and a correspondent of Pershing L.L.C., a division of Bank of New York. Pershing L.L.C. will execute orders, issue confirmations and monthly statements, accept payment and hold both cash and securities. Pershing L.L.C. will receive compensation for such services and bill BIS on a transaction and service basis daily. Pershing, L.L.C. is the Custodian of managed Accounts maintained at BIS.

BIS also has a direct relationship with various other issuers of securities and insurance contracts. Compensation is paid to BIS for selling the products of these various entities.

Solicitors will be compensated from BMC’s share of its management fee according to the following schedule:

BMC Management Fee	Percent to Solicitor
<b>Equity Accounts</b>	
2.00%	0.75%
1.00%	0.25%
0.85%	0.125%
Negotiable	Negotiable
<b>Income Accounts</b>	
2.00%	0.75%
1.50%	0.50%
Negotiable	Negotiable

BIS Solicitors will also receive commissions on securities transactions.

## **9.E Buys or sells for itself securities that it also recommends to clients.**

When BMC buys or sells for itself securities that it also recommends to clients the following restrictions, internal procedures or disclosures are used for conflicts of interest in those transactions.

BIS or BMC, its officers, directors, newsletter editor or employees may from time to time purchase or sell various securities and products also held by our clients. It is the policy of BIS and BMC that these transactions shall not be in a conflict with the best interests of our clients.

As a general rule, BMC or its affiliates will not place a buy order for a particular security until any buy orders placed for a client in that particular security are executed. Similarly, BMC or its affiliates will not place a sell order for a particular security until any sell orders placed for a client in that particular security are executed. Nothing prevents BMC or its affiliates placing a bulk order for a particular security with one or more client orders, but if the orders are executed at different prices BMC or its affiliates will take the highest buy price or the lowest sell price, as the case may be, so as not to disadvantage any client.

Since BMC has received full and complete authority from Client to make all trading decisions on behalf of Client's Account, Client acknowledges a potential conflict of interest exists because BMC will receive such management fee regardless of whether Client's Account is profitable. Moreover, if Client's Account is carried at BIS, BMC will have an incentive to trade actively to generate commissions for its affiliate, BIS. BMC represents and warrants that it will not engage in active trading for the purpose of generating commission income for the benefit of BIS and to the detriment of Client. Notwithstanding these conflicts of interest, which Client acknowledges, Client agrees to the payment of such management fee whether or not Client's Account is profitable, and if applicable, the carrying of Client's Account at BIS from which BIS will derive commission income for executing transactions in Client's Account at the direction of BMC.

## **11. Review of Accounts**

Managed accounts will be reviewed daily by George Langlois. Mr. Langlois, 49 years of age, is a Series 24 General Securities Principal. Mr. Langlois attended Loyola University in Rome, Italy and graduated from DePaul University in Chicago, Illinois with a degree in Psychology. Mr. Langlois also attended the Harvard Divinity School in Cambridge, Massachusetts from 1991-1992. Mr. Langlois was first employed in the securities business in 1989 and has been with BIS since 1992.

Confirmations are issued for transactions and monthly statements are also issued by the designated securities brokerage firm or custodian. Quarterly reports will be issued within 21 days of the calendar quarter's end by BMC and will show the managed portfolio assets, purchases and sales, current portfolio value, realized and unrealized profit and loss, fees and other expenses charged to the managed Account, and other information deemed pertinent by the Advisor.

### **11. A-1 For reviews**

As noted above, accounts will be reviewed daily by George Langlois. Mr. Langlois will be instructed to review the accounts for conformity with the objectives expressed by the Client in BMC's Investment Advisory Agreement ("Agreement"), Addendum, conformance with any restrictions or limitations contained in the Agreement and consistency with BMC's Socially Responsible Investing program and any modifications thereto expressed by the Client.

In addition, Mr. Langlois will review the accounts for size of position, frequency of trading and other such factors to assure compliance with all applicable rules and regulations to which BMC is subject.

### **11. A-2 For reviewers**

At this time, Mr. Langlois will be the only reviewer of any BMC managed accounts that are opened. Mr. Langlois' credentials that enable him to discharge these responsibilities are set forth above.

**11. B. The nature and frequency of regular reports to clients on their accounts is:**

In addition to confirmations of transactions and monthly statements of account issued by the Client's carrying or Clearing Broker, BMC will issue a comprehensive written report to its advisory clients within 21 days of the close of each calendar quarter. This report will reflect the beginning and quarter ending net asset value of the account, the purchases and sales taking place during the calendar quarter, realized and unrealized profit and loss on those transactions, current portfolio value, expenses and fees charged to the account and any other information BMC deems pertinent.

**12.A. Investment and Brokerage Discretion**

(1) Securities to be bought or sold.

Limitation on authority: None

(2) Amount of securities to be bought or sold.

Limitation on authority: None

**12.B. While BMC answered this question "No" BMC's disclosure materials do identify BIS as a securities broker-dealer affiliate.**

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**