

**FORM ADV****Part II - Page 1****Uniform Application for Investment Adviser Registration****OMB APPROVAL**

OMB Number: 3235-0049  
Expires: February 28, 2010  
Estimated average burden  
hours per response. . . .9.01

Name of Investment Adviser:

**Rhoads Lucca Capital Management, Inc.**

Address: (Number and Street)

(City)

(State)

(Zip Code)

Area Code: Telephone Number:

**14911 Quorum Dr., Suite 380****Dallas****TX****75254****( 214 ) 373-9771**

**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 government authority.**

**Table of Contents**

<b><u>Item Number</u></b>	<b><u>Item</u></b>	<b><u>Page</u></b>
1	Advisory Services and Fees . . . . .	2
2	Types of Clients . . . . .	2
3	Types of Investments . . . . .	3
4	Methods of Analysis, Sources of Information and Investment Strategies . . . . .	3
5	Education and Business Standards . . . . .	4
6	Education and Business Background . . . . .	4
7	Other Business Activities . . . . .	4
8	Other Financial Industry Activities or Affiliations . . . . .	4
9	Participation or Interest in Client Transactions . . . . .	5
10	Conditions for Managing Accounts . . . . .	5
11	Review of Accounts . . . . .	5
12	Investment or Brokerage Discretion . . . . .	6
13	Additional Compensation . . . . .	6
14	Balance Sheet . . . . .	6
	Continuation Sheet . . . . .	Schedule F
	Balance Sheet, if required. . . . .	Schedule G

(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.)

**FORM ADV****Part II - Page 2**

Applicant:

**Rhoads Lucca Capital Management, Inc.**

SEC File Number:

**801-27938**

Date:

**01/09**

## Definitions for Part II

Related person - Any officer, director or partner of applicant or any person directly or indirectly controlling, controlled by, or under common control with the applicant, including any non-clerical, non-ministerial employee.

Investment Supervisory Services - Giving continuous investment advice to a client (or making investments for the client) based on the individual needs of the client. Individual needs include, for example, the nature of other client assets and the client's personal and family obligations.

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 instruction below.)

Applicant:

- |                                     |     |   |      |
|-------------------------------------|-----|---|------|
| <input checked="" type="checkbox"/> | (1) | Provides investment supervisory services .....  | 100% |
| <input type="checkbox"/>            | (2) | Manages investment advisory accounts not involving investment supervisory services .....  | %    |
| <input type="checkbox"/>            | (3) | Furnishes investment advice through consultations not included in either service described above .....  | %    |
| <input type="checkbox"/>            | (4) | Issues periodicals about securities by subscription .....   | %    |
| <input type="checkbox"/>            | (5) | Issues special reports about securities not included in any service described above .....   | %    |
| <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 ..... | %    |
| <input type="checkbox"/>            | (7) | On more than an occasional basis, furnishes advice to clients on matters not involving securities .....   | %    |
| <input type="checkbox"/>            | (8) | Provides a timing service .....   | %    |
| <input type="checkbox"/>            | (9) | Furnishes advice about securities in any manner not described above .....   | %    |

(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 the applicant call any of the services it checked above financial planning or some similar term? .....

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>

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 type="checkbox"/> (2) Hourly charges                                     | <input type="checkbox"/> (5) Commissions       |
| <input type="checkbox"/> (3) Fixed fees (not including subscription fees)       | <input 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 type="checkbox"/> B. Banks or thrift institutions     | <input type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies             | <input type="checkbox"/> G. Other (describe on Schedule F)                                  |
| <input 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).**

**FORM ADV****Part II - Page 3**

Applicant:

**Rhoads Lucca Capital Management, Inc.**

SEC File Number:

**801-27938**

Date:

**01/09****3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> A. Equity Securities                               | <input type="checkbox"/> H. United States government securities     |
| <input checked="" type="checkbox"/> (1) exchange-listed securities                     |   |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter             | <input type="checkbox"/> I. Options contracts on:                   |
| <input type="checkbox"/> (3) foreign issues  | <input type="checkbox"/> (1) securities                             |
|  | <input type="checkbox"/> (2) commodities                            |
| <input type="checkbox"/> B. Warrants   |   |
| <input type="checkbox"/> C. Corporate debt securities<br>(other than commercial paper) | <input type="checkbox"/> J. Futures contracts on:                   |
|  | <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"/> F. Municipal securities                                       | <input type="checkbox"/> K. Interests in partnerships investing in: |
|  | <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 checked="" type="checkbox"/> (3) mutual fund shares                             | <input type="checkbox"/> L. Other (explain on Schedule F)           |

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

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

- |   |  |
|---|--|
| (1) <input checked="" type="checkbox"/> Charting    | (4) <input 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 type="checkbox"/> Timing services  |
| (2) <input type="checkbox"/> Inspections of corporate activities              | (6) <input type="checkbox"/> Annual reports, prospectuses, filings with the<br>Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input 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 type="checkbox"/> Margin transactions   |
| (2) <input checked="" type="checkbox"/> Short term purchases<br>(securities sold within a year)  | (6) <input type="checkbox"/> Option writing, including covered options,<br>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).**

**FORM ADV****Part II - Page 4**

Applicant:

**Rhoads Lucca Capital Management, Inc.**

SEC File Number:

**801-27938**

Date:

**01/09****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          | • formal education after high school               |
| • year of birth | • 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:
- |  |  |
|--|--|
| <input type="checkbox"/> (1) broker-dealer   | <input type="checkbox"/> (7) accounting firm                                       |
| <input type="checkbox"/> (2) investment company  | <input type="checkbox"/> (8) law firm  |
| <input type="checkbox"/> (3) other investment adviser  | <input type="checkbox"/> (9) insurance company or agency                           |
| <input type="checkbox"/> (4) financial planning firm   | <input type="checkbox"/> (10) pension consultant                                   |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer                         |
| <input type="checkbox"/> (6) banking or thrift institution   | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked 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).**

**FORM ADV****Part II - Page 5**

Applicant:

**Rhoads Lucca Capital Management, Inc.**

SEC File Number:

**801-27938**

Date:

**01/09****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.

The RLC Investment Committee, composed of all RLC Investment Professionals, meets in person, by teleconference or email exchange at least once per week, or more if needed, to review client investments and discuss general client advice. RLC Investment Professionals generally follow the philosophies of diversification, long term horizon, and managing the expenses involved in making investments. Each client has direct access to an RLC Investment Professional, who makes recommendations and gives requested advice based on the individual needs and circumstances of the client. In addition, more frequent reviews may be triggered by changes in such variables as the market, politics, or economics; changes in a client's individual financial circumstances or objectives; or client request.

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

**We prepare and send to clients monthly (mid-month) "Gold Key" reports that list all current assets and their values, and may also include other information about a client's investments. Client custodians also send monthly statements(month-end), including account value and details of any transactions occurring during the month.**

**We also prepare periodic and annual reports for our clients on request, including performance and rate of return information.**

**All clients are sent the RLC GoldKey newsletter and periodic memos regarding the economy, asset allocation, and other pertinent information. Clients may also sign up for our periodic email newsletters, RLC Market Insights and Market Comments, which communicate the RLC Investment Committee's view of the current market and general market commentary.**

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

**FORM ADV****Part II - Page 6**

Applicant:

**Rhoads Lucca Capital Management, Inc.**

SEC File Number:

**801-27938**

Date:

**01/09****12. Investment or Brokerage Discretion.**

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

(1) securities to be bought or sold? . . . . .

Yes No

☒ ☐

(2) amount of the securities to be bought or sold ? . . . . .

Yes No

☒ ☐

(3) broker or dealer to be used ? . . . . .

Yes No

☒ ☐

(4) commission rates paid? . . . . .

Yes No

☒ ☐

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 products 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 No

☐ ☒

B. directly or indirectly compensates any person for client referrals? . . . . .

Yes No

☐ ☒

(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; 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

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

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:	SEC File Number:	Date:
Rhoads Lucca Capital Mgmt., Inc.	801-27938	1/09

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Rhoads Lucca Capital Management, Inc.</b>		IRS Empl. Ident. No.: <b>75-2086925</b>
Item of Form (identify)	Answer	
1.D	<p><b>SERVICES</b></p> <p>Rhoads Lucca Capital Management, Inc., (RLC) provides discretionary money management services, primarily to private individuals with significant investment assets. At the start of each client relationship, an RLC Investment Professional either discusses with the client or provides sufficient written information to the client to clearly explain our money management services and determine the client's individual needs and risk tolerance. Based on this information, an RLC Investment Professional and the client agree on goals for return and risk level for the client's investments through RLC. RLC then invests the client's assets following one or more of our proprietary portfolio models of mutual funds, stocks or variable annuities. Each model invests in securities that the Investment Professional believes are appropriate for the specified risk and return objectives. Portfolio weighting between securities and market sectors is determined by the stated risk tolerance and performance goals of the portfolio model.</p> <p><b>Mutual funds</b> are selected for client investments using any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record and tenure of the fund's manager(s); the fund's investment objectives; the fund's management style and philosophy; third-party ratings of the fund; the fund's management fee structure; and the fund's liquidity.</p> <p>RLC obtains information from a wide variety of publicly available sources. RLC Investment Professionals do not have, and do not claim to have, sources of inside or non-public information.</p> <p>Clients are able to place reasonable restrictions on the types of investments that will be made in their accounts. For example, they may leave standing instructions with their Investment Professional to refrain from investing in particular industries or to invest in limited amounts of securities. Clients retain individual ownership of all securities: they have direct and beneficial interests in their securities, rather than in an undivided interest in a pool of securities.</p> <p>The RLC Investment Committee, composed of all RLC Investment Professionals, meets in person, by teleconference or email exchange at least once per week, or more if needed, to review client investments and discuss general client advice. RLC Investment Professionals generally follow the philosophies of diversification, long term horizon, and managing the expenses involved in making investments. Each client has direct access to an RLC Investment Professional, who makes recommendations and gives requested advice based on the individual needs and circumstances of the client.</p>	

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

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:	SEC File Number:	Date:
Rhoads Lucca Capital Mgmt., Inc.	801-27938	1/09

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Rhoads Lucca Capital Management, Inc.</b>		IRS Empl. Ident. No.: <b>75-2086925</b>
Item of Form (identify)	Answer	
	<p>Clients may call at any time during normal business hours to discuss directly with their Investment Professional their account, financial situation, investment needs, or related issues. Periodically, RLC's Investment Professionals may request updated financial status information from clients to determine if there have been any significant changes in the client's financial situation.</p> <p><u><b>RLC Mutual Fund Portfolios</b></u></p> <p>RLC sends a second monthly statement (Gold Key statement) to each mutual fund client that clearly lists all investments they own and their current market value; with the exception of 401(k) Autopilot Management clients who also have RLC Mutual Fund Portfolio accounts. Those clients will receive their Gold Key statement with the quarterly billing.</p> <p>Each client also receives transaction confirmations as they occur and each client receives monthly statements from their account custodian detailing current account value and all transactions that occurred during the reported month.</p> <p><u><b>RLC 401(k) Autopilot Management</b></u></p> <p>RLC sends a second statement quarterly to each 401(k) Autopilot management client that clearly lists all investments they own and their current market value along with their quarterly management fee invoice.</p> <p>Each client can receive transaction confirmations as they occur and does receive either monthly or quarterly statements from their account 401(k) plan administrator/custodian detailing current account value and all transactions that occurred during the reported period.</p> <p>When requested, RLC provides clients with "wisdom counsel," which may range from advising on whether to finance or pay cash for a major purchase up to a detailed financial plan. Wisdom counsel is provided to our clients at no cost, as part of our money management services. RLC does not offer wisdom counsel services to individuals who are not money management clients, with the exception of occasional sessions with family members of our clients (provided at no charge). General information and advice is available to all visitors to our web site, <a href="http://www.rhoadslucca.com">www.rhoadslucca.com</a>.</p> <p>RLC mails to all current and prospective clients and other friends of the firm our monthly newsletter. RLC also distributes via e-mail periodic newsletters, the "RLC Market Insight" and "Market Comments" to clients wishing to receive them. All newsletters are provided at no charge.</p>	

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



**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:	SEC File Number:	Date:
Rhoads Lucca Capital Mgmt., Inc.	801-27938	1/09

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Rhoads Lucca Capital Management, Inc.</b>		IRS Empl. Ident. No.: <b>75-2086925</b>
Item of Form (identify)	Answer	
	<p><b>FEE STRUCTURE</b></p> <p>A one-time \$300 account set-up fee is assessed to new clients. This may be waived under certain circumstances. Clients may open additional accounts at RLC without a setup fee.</p> <p>Fees for RLC's ongoing money management services are computed as a percentage of total assets under management, with this percentage decreasing as the total value of assets managed increases. A \$250,000 minimum portfolio balance is required to open a Rhoads Lucca account, but this may be waived under certain circumstances.</p> <p><u><b>RLC Mutual Fund Portfolios</b></u></p> <p>For all clients who have only the RLC Mutual Fund Portfolio accounts - all money management fees are billed monthly in arrears. Fees are calculated and assessed at the beginning of each month, using the market value of the last day of the previous month and are deducted directly from the client's account.</p> <p><u><b>RLC 401(k) Management</b></u></p> <p>Management fees for all accounts managed for 401(k) clients are billed in arrears based on the portfolio valuation on the last market day of the previous calendar quarter. RLC 401(k) management clients are invoiced quarterly for their management fees – management fees are not deducted from the clients 401(k) account. 401(k) Management clients who also have RLC Mutual Fund accounts may elect to have their management fees for all managed accounts deducted from their RLC Mutual Fund account.</p> <p>The fee amount for each client is determined by multiplying the current market value of their portfolio by the appropriate annual percentage rate (using the appropriate fee schedule below) and dividing this amount by 12 for RLC Mutual Fund clients and divided by 4 for RLC 401(k) clients.</p> <p>If a client starts or terminates their account with RLC in between billing dates, a pro rata portion, based on the number of days the account was managed, is charged. All clients are given detailed information on the fee schedule and how it is calculated before they sign an advisory agreement.</p> <p>Clients may terminate their relationship with RLC without penalty (full refund) within five business days of signing an advisory agreement. After the first five days, RLC will continue to provide money management services until either party terminates the relationship by written notice.</p> <p>The fee schedules for RLC mutual fund portfolios and 401(k) management are given below. Lower or higher fees for comparable services may be found from other sources.</p>	

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

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:	SEC File Number:	Date:
Rhoads Lucca Capital Mgmt., Inc.	801-27938	1/09

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Rhoads Lucca Capital Management, Inc.</b>		IRS Empl. Ident. No.: <b>75-2086925</b>												
Item of Form (identify)	Answer													
	<p><b>Fee Schedule for RLC Mutual Fund Portfolios and 401(k) management:</b> The annual fee schedule for RLC's managed accounts investing in mutual funds is as follows:</p> <table> <tr> <td>First \$100,000 under management</td> <td>2.00%</td> </tr> <tr> <td>Next \$150,000 under management</td> <td>1.75%</td> </tr> <tr> <td>Next \$250,000</td> <td>1.25%</td> </tr> <tr> <td>Next \$500,000</td> <td>1.00%</td> </tr> <tr> <td>Next \$500,000</td> <td>0.50%</td> </tr> <tr> <td>All dollars over \$1.5 million</td> <td>0.25%</td> </tr> </table> <p>This money management fee is comprehensive. Clients are generally not charged account maintenance fees but may be charged fees in accordance with their account agreements. These fees may include, among others, account closing fees, wire transfer fees, overnight delivery fees and commissions for transactions not part of the "no transaction" platform at the respective custodian.</p> <p>All fees paid to RLC for money management services using mutual funds are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. Those expenses generally include a management fee, other fund expenses, and a possible distribution fee. These expenses and fees are described in each fund's prospectus. Because it is RLC's policy to only invest in no-load or load-waived mutual funds, there should not be any type of load fee (sales charge). Clients should review both the fees charged by mutual funds and the fees charged by RLC to fully understand the total fees paid by the client.</p> <p>Exceptions: 1) Partners and staff at RLC and their family members may have personal accounts managed by the company. These accounts are managed in the same way as other client accounts and are not given any preferential treatment over other client accounts, except that no management fees are charged by RLC.; 2) The value of any mutual fund that is managed by RLC and owned by the clients is deducted from the total money under management and is not used as a billable asset when calculating the management fee.</p> <p>Rhoads Lucca may negotiate its fees with certain money management clients. For example, employees of the Adviser and its affiliates are not charged management fees of any type. Also, the Adviser may choose not to charge management fees to certain non-profit organizations for whom it manages money.</p>		First \$100,000 under management	2.00%	Next \$150,000 under management	1.75%	Next \$250,000	1.25%	Next \$500,000	1.00%	Next \$500,000	0.50%	All dollars over \$1.5 million	0.25%
First \$100,000 under management	2.00%													
Next \$150,000 under management	1.75%													
Next \$250,000	1.25%													
Next \$500,000	1.00%													
Next \$500,000	0.50%													
All dollars over \$1.5 million	0.25%													

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

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:	SEC File Number:	Date:
Rhoads Lucca Capital Mgmt., Inc.	801-27938	1/09

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Rhoads Lucca Capital Management, Inc.</b>		IRS Empl. Ident. No.: <b>75-2086925</b>
Item of Form (identify)	Answer	
5	<b>EDUCATION AND BUSINESS STANDARDS</b> RLC requires that Investment Professionals possess the professional designation of Certified Financial Planner (CFP <sup>TM</sup> ) or 4 years of college and relevant experience in the personal financial services field.	
6	<b>EDUCATION AND BUSINESS BACKGROUNDS</b> <b>John D. Rhoads</b> (born 1941) <i>Education:</i> <ul style="list-style-type: none"> <li>- Midwestern University (Wichita Falls, TX): General studies</li> <li>- Dallas Bible College (Dallas, TX): General studies</li> <li>- College for Financial Planning (Denver, CO): Certified Financial Planner, 1984-2007</li> </ul> <i>Business:</i> <ul style="list-style-type: none"> <li>- Rhoads Lucca Capital Management, Inc.: President, 11/80-present</li> <li>- Walnut Street Securities: Registered Representative and Branch Manager (Dallas, TX), 8/90-4/99</li> <li>- Advantage Capital: Registered Representative and Branch Manager (Dallas, TX), 1/75-8/90</li> </ul> <b>David A. Lucca</b> (born 1957) <i>Education:</i> <ul style="list-style-type: none"> <li>- Pennsylvania State University (State College, PA): BS, Recreation &amp; Parks Leadership, 1980</li> <li>- International Graduate Christian University (San Bernardino, CA): Certificate, Biblical Study, 1983</li> <li>- Dallas Theological Seminary (Dallas, TX): MA, Biblical Studies, 1986</li> <li>- College for Financial Planning (Denver, CO): Certified Financial Planner, 1989-2007</li> </ul> <i>Business:</i> <ul style="list-style-type: none"> <li>- Rhoads Lucca Capital Management, Inc.: Vice President, 12/88-present</li> <li>- Gary Smith, CPA, PC: Investment Management, 12/86-12/88</li> </ul> <b>Peter B. Mauthe</b> (born 1955) <i>Education:</i> <ul style="list-style-type: none"> <li>- University of Miami (Miami, FL) Biology, Chemistry, Accounting, Finance 1974-1978</li> <li>- Indiana University Extension (Columbus, IN) Calculus 1975</li> <li>- The Executive Committee (Scottsdale, AZ) Business Management 2000-2002</li> </ul> <i>Business:</i> <ul style="list-style-type: none"> <li>- MK Asset Management, Inc.: President (Irvine, CA) 1984-1994</li> </ul>	

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

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV  
Part II**

Applicant:	SEC File Number:	Date:
Rhoads Lucca Capital Mgmt., Inc.	801-27938	1/09

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Rhoads Lucca Capital Management, Inc.</b>		IRS Empl. Ident. No.: <b>75-2086925</b>
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	<ul style="list-style-type: none"> <li>- Core Asset Management, Inc.: President (Irvine, CA) 1994-1997</li> <li>- Global Investment Solutions LLC: Managing Member (Newport Beach, CA) 1997</li> <li>- Trendstat Capital Management, Inc.: President (Scottsdale, AZ) 1998-2002</li> <li>- Spectrum Financial, Inc.: COO (Virginia Beach, VA) 2002-2004</li> <li>- Rhoads Lucca Capital Management, Inc.: COO (Dallas, TX) 2004 – Present</li> </ul> <p><b>Charles R. Mays</b> (born 1965) <i>Business:</i></p> <ul style="list-style-type: none"> <li>- Assent LLC: Proptrader (Austin, TX), 1/04-5/06</li> <li>- Score Securities: Trader (Fort Worth), 5/06-10/09</li> <li>- Maxos Capital Financial: Factor (Colleyville, TX), 11/02 - present</li> <li>- Rhoads Lucca Capital Management, Inc.: Trading Operations Specialist, 10/09-present</li> </ul>	
7.A	<p><b>OTHER BUSINESS ACTIVITIES</b></p> <p>David Lucca and John Rhoads are equal partners in Rhoads Lucca Capital Publishers, Inc. which used to publish a bi-monthly newsletter for niche markets. David Lucca spends an average of six hours per month authoring these newsletters which provides investment advice based on the selected funds available in the specific market. Rhoads Lucca Capital Publishers, Inc. has no employees and is being closed. David Lucca independently runs <a href="http://www.uspfa.org">www.uspfa.org</a> which provides financial information on a subscription basis to commercial pilots.</p> <p>In addition, Rhoads Lucca Capital Management, Inc. is the general partner of an SEC-registered investment adviser, Rhoads Lucca Capital Partners, L.P. The principals of Rhoads Lucca Capital Management, Inc. are the limited partner investors in Rhoads Lucca Capital Partners L.P. which is the investment adviser of the Autopilot Mutual Funds; a family of mutual funds established and managed by the limited partnership, RLCP. These funds are available to the public; and are distributed through Aquarius Fund Distributors, LLC, are administered by Gemini Fund Services and are custodied at First National Bank of Omaha. Rhoads Lucca Capital Partners, L.P., (RLCP) provides discretionary money management services as the adviser of the funds. All fees to clients are built into the funds.</p>	
9.E	<p><b>PARTICIPATION IN CLIENT TRANSACTIONS</b></p> <p>Partners and staff at RLC and their immediate family members may have personal accounts managed by the company. These accounts are managed in the same way as other client accounts and in no way are given any preferential treatment over</p>	

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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Rhoads Lucca Capital Management, Inc.</b>		IRS Empl. Ident. No.: <b>75-2086925</b>
Item of Form (identify)	Answer	
10	<p>other client accounts, except that no management fees are charged by RLC.</p> <p>Further, it is the expressed policy of RLC that:</p> <ul style="list-style-type: none"> <li>• No person employed by RLC shall put their own interest or that of family members above that of our clients.</li> <li>• All individuals employed by RLC must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.</li> <li>• No person employed by RLC may purchase or sell any security for personal gain prior to a transaction(s) being implemented for a client.</li> <li>• No person employed by RLC may buy or sell securities for their personal portfolio(s) where their decision is substantially derived by reason of their employment, unless the information is also available to the investing public on reasonable inquiry.</li> </ul>	
12.A.1	<p><b>CONDITIONS FOR MANAGED ACCOUNTS</b></p> <p>RLC has a minimum portfolio size of \$250,000 to open a money management account. This minimum may be waived for relatives of or referrals from existing clients or under other circumstances.</p>	
12.A.2	<p>RLC has no minimum portfolio size to maintain an account.</p>	
12.B	<p><b>INVESTMENT DISCRETION</b></p> <p>RLC requests written authority from money management clients to determine which securities and in what amounts are bought or sold in clients' accounts. Any limitations on this discretionary authority should be specified in a client's advisory agreement. Clients may change or amend these limitations as desired, but these must be submitted in writing.</p>	
	<p><b>BROKERAGE RECOMMENDATIONS</b></p> <p>All RLC Mutual Fund Portfolio clients are currently custodied at Schwab Institutional. RLC does not enter into or use "soft dollar" arrangements when selecting a custodian/broker dealer unless such benefits are incidental to the services offered by the custodian/brokerage firm.</p> <p><b>Mutual Fund Trades</b> are executed through Schwab Institutional. This company was chosen because of the quality of customer service and investment services they provide. In addition, their execution, fee structure and reporting capabilities were considered. Clients are generally not charged account maintenance fees but may be charged fees in accordance with their account agreements. These fees may include, among others, account closing fees, wire transfer fees, overnight delivery fees and commissions for transactions not part of the "no transaction" platform at the</p>	

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	<p>custodian.</p> <p>RLC investment professionals are not registered representatives of Schwab Institutional, and do not receive any commissions or fees from recommending or using these services.</p> <p>Trades are often aggregated for mutual fund accounts. When this occurs, no account within the block trade is favored over any other account: each account participates in an equal manner. Such block trading allows RLC to execute trades in a more timely, efficient and equitable manner.</p> <p>Although the RLC Investment Team strives to have all trades clear on the same business day's closing, factors in the markets that affect their trading decision and cut-off restrictions in place at individual mutual fund companies and 401(k) plans may sometimes result in next business day clearing. All trades are considered timely if completed by the end of the business day following the day the trade order was given.</p> <p>Trading conflicts may occur but they should be avoided whenever possible. Conflicts may occur when trading securities and/or futures in different client accounts. Whenever possible, when trading the same security or futures contract for more than one account, average pricing should try to be obtained so no account is disadvantaged. If average pricing is not available, then every effort should be made to avoid trading more than one account at the same time in the same security. Despite best efforts, conflicts may occur. When they do occur, they should be noted in the trade records. As long as efforts were made to avoid the conflict, no customer reimbursement will be made for incidental conflicts.</p> <p>RLC has access to client monthly statements on all accounts opened through RLC via Schwab Institutional's website. We may purchase through Schwab Institutional, or other companies, computer data and/or services to facilitate day to day business operations.</p> <p><b>RLC 401(k) Management</b> client accounts - RLC offers discretionary money management services to participants in certain 401(k) plans. All client funds are custodied by their respective plan. Account reallocation and account valuations are performed within the clients 401(k) account, as per the management agreement.</p> <p>Trading conflicts may occur but they should be avoided whenever possible. Conflicts may occur when trading securities and/or futures in different client accounts. Whenever possible, when trading the same security or futures contract for more than one account, average pricing should try to be obtained so no account is disadvantaged. If average pricing is not available, then every effort should be</p>	

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Applicant:	SEC File Number:	Date:
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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Rhoads Lucca Capital Management, Inc.</b>		IRS Empl. Ident. No.: <b>75-2086925</b>
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13.B	<p>made to avoid trading more than one account at the same time in the same security. Despite best efforts, conflicts may occur. When they do occur, they should be noted in the trade records. As long as efforts were made to avoid the conflict, no customer reimbursement will be made for incidental conflicts.</p> <p>RLC has authority to vote proxies for its clients, and has policies and procedures in place which clients may request at any time to review.</p> <p>RLC has agreements with other investment advisers whereby RLC refers clients and is paid a portion of the other adviser's fee. This is disclosed to each client in advance and each client is advised that the fee paid to RLC is a portion of the other adviser's fee, not on top of the other adviser's fee.</p>	

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