

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

OMB APPROVAL	
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06/18/09

Name of Investment Adviser:

Howard Financial Services, Ltd.

Address: (Number and Street)

(City)

(State)

(Zip Code)

Area Code:

Telephone number:

8350 Meadow Road, Ste. 181, Dallas, TX 75231

(214) 346-0785

**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.**

Table of Contents

Item Number	Item	Page
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.)

**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.**

FORM ADV
Part II - Page 2

Applicant:
Howard Financial Services, Ltd.

SEC File Number:
801-46741

Date:
03/30/09

- 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 | 90 % |
| <input type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services | __ % |
| <input checked="" type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above | 5 % |
| <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 checked="" type="checkbox"/> (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities | 5 % |
| <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 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 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 checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies | <input checked="" 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).

FORM ADV
Part II - Page 3

Applicant:
Howard Financial Services, Ltd.

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Date:
03/30/08

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

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity securities | <input checked="" 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 issuers | <input type="checkbox"/> (1) securities |
| | <input type="checkbox"/> (2) commodities |
| <input checked="" type="checkbox"/> B. Warrants | <input type="checkbox"/> J. Futures contracts on: |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | <input type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> F. Municipal securities | <input checked="" type="checkbox"/> (1) real estate |
| | <input checked="" type="checkbox"/> (2) oil and gas interests |
| <input type="checkbox"/> G. Investment company securities: | <input checked="" type="checkbox"/> (3) other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (1) variable life insurance | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (2) variable annuities | |
| <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 checked="" 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 type="checkbox"/> Timing services |
| (2) <input 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 | (5) <input checked="" type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases (securities sold within a year) uncovered options or spreading strategies | (6) <input type="checkbox"/> Option writing including covered options (securities held at least a year) |
| (3) <input checked="" 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:
Howard Financial Services, Ltd.

SEC File Number:
801-46741

Date:
03/28/08

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:

- | | |
|--|---|
| <input type="checkbox"/> (1) broker-dealer | <input checked="" 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 checked="" 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.)

Yes No

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? ☒ ☐

(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.

Applicant monitors client accounts according to the level of service the client selects. Accounts receiving Investment Advice will be reviewed upon client's request. Accounts receiving Investment Supervision are monitored continuously in light of current market conditions, client objective, and risk tolerances. Planners, officers, and research analysts continuously monitor clients' accounts and authorize trades within parameters set by the officers and research analysts.

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

All clients receive monthly statements from their custodian. Such statements list all portfolio holdings held with custodian, priced at month end, and all transactions occurring throughout the month. Clients receiving Investment Supervision from Howard Financial Services, Ltd. receive quarterly statements from Howard Financial Services, Ltd. showing portfolio holdings priced at quarter end, portfolio performance over varying time periods, and gains and losses for the period.

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"/> |
| | Yes | No |
| (2) amount of the securities to be bought or sold?..... | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Yes | No |
| (3) broker or dealer to be used? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Yes | No |
| (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 | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Yes | No |
| B. directly or indirectly compensates any person for client referrals?..... | <input type="checkbox"/> | <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 Commission); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

	Yes	No
Has applicant provided a Schedule G balance	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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: Howard Financial Services, Ltd.	SEC File Number: 801-46741	Date: 03/30/09
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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: Howard Financial Services, Ltd.	IRS Empl. Ident. No.: 20-1151802
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Item of Form (identify)	Answer
Part II Page 2 Question 1.D	<p>1) <u>Investment Supervision</u> – Clients who wish Howard Financial Services, Ltd. to make and enact investment selections in their portfolios or perform continuous monitoring of their portfolios will best be served by this level of service (responsibility for voting proxies will remain with client). Fees will be assessed as a percentage of assets under management, ranging from a standard rate of .25% to 1.0% annually. Fees are negotiable, and are billed quarterly in arrears. Clients receive monthly statements of their portfolio holdings from their custodian and quarterly statements of their holdings from Howard Financial Services, Ltd.</p> <p>3) <u>Investment Advice</u> – Individuals requiring financial plans and/or periodic portfolio review will best be served by this level of service. Accounts will not be monitored throughout the year and fees will be assessed on an hourly basis, ranging from \$80 to \$300/hour depending upon the level of professional at Howard Financial Services, Ltd. Clients are billed monthly in arrears. Fees are negotiable.</p> <p>7) Advice to clients not involving securities consist of all other areas of personal financial planning, including but not limited to: cash flow analysis, risk management, tax and estate planning, retirement and accumulation funding, and small business consulting. Fees are assessed on an hourly basis, ranging from \$80 to \$300/hour, depending upon the level of professional at Howard Financial Services, Ltd. and will be billed monthly in arrears. Fees are negotiable.</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: Howard Financial Services, Ltd.	SEC File Number: 801-46741	Date: 03/28/08
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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: Howard Financial Services, Ltd.	IRS Empl. Ident. No.: 20-1151802
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Item of Form (identify)	Answer
Part II Page 2 Question 2G	Applicant advises certain related partnerships investing in commercial mortgage loans, real estate, hedge funds, and hedge fund of funds
Part II Page 3 Question 3.K(3)	Applicant will advise clients on interests in partnerships investing in commercial mortgage loans, hedge funds, and hedge fund of funds.

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:
Howard Financial Services, Ltd.

SEC File Number:
801-46741

Date:
03/28/08

(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:
Howard Financial Services, Ltd.

IRS Empl. Ident. No.:
20-1151802

Item of Form (identify)	Answer
Part II Page 4 Question 5	All personnel involved in rendering investment advice must be experienced in the financial services industry. These personnel must also be concentrating their continuing professional education in the area of personal financial planning and investments and must have attained or be a candidate for a financial service industry designation (i.e. Certified Financial Planner (CFP), Certified Public Accountant Personal Financial Specialist (CPA/PFS). Or Chartered Financial Analyst.

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: Howard Financial Services, Ltd.	SEC File Number: 801-46741	Date: 03/30/09
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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: Howard Financial Services, Ltd.	IRS Empl. Ident. No.: 20-1151802
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Item of Form (identify)	Answer
Part II Page 4 Question 6	<p>James Newton Howard DOB: 05/28/47</p> <p>Education: Stephen F. Austin State University Attended 5 yrs., Graduated 1970 BS Accounting</p> <p>Business Background: Howard & Co., LP (Formerly James N. Howard and Associates, P.C and Howard & Co., P.C.) 1981 – Present Nature of Employment: CPA/PFS</p> <p>Theresa Marie Stuteville DOB: 12/23/58</p> <p>Education: Victoria Jr. College Attended 1 year Texas A&M University Attended 3 yrs., Graduated 1981 BA Accounting</p> <p>Business Background: Howard Financial Services, Ltd. 1994 - Present Nature of Employment: CPA/PFS</p> <p>John Thomas Howard DOB: 03/29/77</p> <p>Education University of the South Attended 1995 – 1997 University of Texas Graduated 1999 BA Economics</p> <p>Business Background: Howard Financial Services, Ltd. 04/2003 - Present Nature of Employment: Research Analyst/Investment Advisor</p> <p>Deutsche Bank Alex. Brown 2000 – 04/2003 Nature of Employment: Analyst</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: Howard Financial Services, Ltd.	SEC File Number: 801-46741	Date: 03/30/09
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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: Howard Financial Services, Ltd.	IRS Empl. Ident. No.: 20-1151802
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Item of Form (identify)	Answer
Part II Page 4 Question 6 (Continued)	<p>Harry Nathan Ward III DOB: 07/31/68</p> <p>Education: Vanderbilt University 1987-1991., Graduated 1991 BA Sociology</p> <p>Illinois Institute of Technology Center for Law and Financial Markets 1999-2001, Graduated 2001 MS Financial Markets</p> <p>Business Background: Howard Financial Services, Ltd. 04/2006 - Present Nature of Employment: Research Analyst/CFA</p> <p>Millennium Wave Investments 01/2003 – 03/2006 Nature of Employment: Research Analyst</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:
Howard Financial Services, Ltd.

SEC File Number:
801-46741

Date:
03/28/08

(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:
Howard Financial Services, Ltd.

IRS Empl. Ident. No.:
20-1151802

Item of Form (identify)	Answer
Part II Page 4 Question 7	<p>A,B, &C The principal business of applicant involves all areas of personal financial services, including, but not limited to: cash flow analysis, risk management, tax and estate planning, retirement and accumulation funding, small business consulting, as well as investment advice and monitoring.</p> <p>Time spent on providing personal financial services other than investment advice is approximately 50% of the applicant's total time.</p> <p>Applicant is engaged in no other business other than personal financial services described above.</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: Howard Financial Services, Ltd.	SEC File Number: 801-46741	Date: 06/18/09
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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: Howard Financial Services, Ltd.	IRS Empl. Ident. No.: 20-1151802
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Item of Form (identify)	Answer
Part II Page 4 Question 8C	<p>7) The owner of applicant's general partner is a shareholder in the accounting firm of Howard & Co., LP, which from time to time will provide accounting services, such as tax preparation, for its clientele, for which it charges it own fees directly to the client. Applicant prefers to refer clients needing accounting services to Howard & Co., LLP, <u>which creates a potential conflict of interest.</u> Although applicant may refer clients to Howard & Co., LLP, clients are under no obligation to transact business with Howard & Co., LLP.</p> <p>12) The owner of applicant's general partner is also affiliated with the general partner of eleven limited partnerships. <u>This creates a potential conflict of interest.</u></p> <p>Howard Mortgage Participation Fund, L.P. HMPF Taxable L.P. HMPF Enhanced QP, L.P. HMPF Note Fund L.P.</p> <p>The above partnerships invest in various participations of Real Estate Mortgage Loans secured by first or second liens and real estate equity investments.</p> <p>HFS Phoenix Fund 05 HFS Phoenix Fund 06 HFS Phoenix Fund 07 HFS Phoenix Fund 08 HFS Phoenix Fund 09</p> <p>The above partnerships invest in various Real Estate Development Projects throughout the U.S.</p> <p>HFS Multi-Strategy Fund L.P. invests in other investment funds, which in turn invests in hedge funds and similar investment vehicles.</p> <p>HFS Land Fund L.P invest in various tracts of raw land throughout the U.S</p> <p>The general partner for each of these is reimbursed for administrative expenses and receives an allocation of revenue equal to 1% of limited partnership assets.</p> <p>The Applicant also receives a monthly fee from each of the entities for advisory services rendered. The fees range from \$750.00 to \$5,000.00 per month.</p>
Part II Page 4 Question 8C(12) And 8D	

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: Howard Financial Services, Ltd.	SEC File Number: 801-46741	Date: 03/28/08
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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: Howard Financial Services, Ltd.	IRS Empl. Ident. No.: 20-1151802
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Item of Form (identify)	Answer
Part II Page 5 Question 9 (D) & (E)	<p>Applicant's partners and employees may invest in various investments which, on occasion, may be held by clients. Because of the nature of mutual fund investments, i.e., all trading activity is at the end of the day, net asset values and the relatively small size of officer and employee trades, it would not be possible to influence trading prices. All other reportable trades are approved by the firm's Chief Compliance Officer, who monitors timing, volume and possible conflicts of interests.</p> <p>The owner of applicant's general partner has invested in limited partnerships (Hedge fund of funds), which it also recommends to clients. Entrance and exit dates and qualifying criteria are restricted by Partnership management. Applicant does not participate in the management of the partnership.</p> <p>The owner of applicant's general partner has invested in limited partnerships of which he also serves as an officer of partnership's general partner. These partnerships are recommended to clients. Employees of the applicant have also invested in limited partnerships of which the applicant recommends to clients. Because of the nature of the limited partnership investing, these investments by employees can not influence pricing, and do not create a conflict of interest; therefore no restrictions are placed on employees investing in these partnerships.</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: Howard Financial Services, Ltd.	SEC File Number: 801-46741	Date: 03/28/08
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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: Howard Financial Services, Ltd.	IRS Empl. Ident. No.: 20-1151802
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Item of Form (identify)	Answer
Part II Page 5 Question 9 (Code of Ethics)	<p style="text-align: center;">CODE OF ETHICS SUMMARY</p> <p style="text-align: center;">HOWARD FINANCIAL SERVICES, LTD.</p> <p>INTRODUCTION</p> <p>Howard Financial Services, Ltd.'s (HFS) (The Firm's) investment advisory business involves a relationship of trust and confidence with our clients. That relationship is largely defined by the terms of our investment management agreements and similar arrangements with our clients. We are also subject to various laws and regulations that govern investment adviser's conduct. We enforce a Code of Conduct (Code) on all our employees which is monitored and enforced by our Chief Compliance Officer (CCO) on a regular and continuous basis. This Code focuses on three specific areas where employee conduct has the potential to affect our client's interest adversely; Misuse of Confidential Information; Personal Securities Trading; and Outside Employee Activities.</p> <p>STANDARD OF CONDUCT</p> <p>The following basic principles guide all aspects of the Firm's business and represent the minimum standards to which we expect employees to adhere:</p> <ol style="list-style-type: none"> Our Clients interests come before employees personal interests and, except to the extent otherwise provided in Client Agreements, before the Firm's interests; The Firm must disclose fully all material facts about conflicts of which it is aware between the Firm's and its employees' interests on the one hand and clients' interest on the other; Employees must operate on the Firm's and their own behalf consistently with the Firm's disclosures to and arrangements with clients regarding conflicts and its efforts to manage the impacts of those conflicts' The Firms and its employees must not take inappropriate advantage of the Firm's or their positions of trust with or responsibility to clients; and The Firm and its employees must always comply with all applicable securities laws. <p>It is each employee's duty to consider and adhere to these principles in all of his or her activities that involve the Firm and its clients and to report to the CCO any activities he or she believes may constitute or involve a violation of any law or any provision of the Code.</p>

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

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

Applicant: Howard Financial Services, Ltd.	SEC File Number: 801-46741	Date: 03/28/08
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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: Howard Financial Services, Ltd.	IRS Empl. Ident. No.: 20-1151802
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Item of Form (identify)	Answer
Part II Page 6 Question 12A.1 & 12A.2	For clients whose accounts are managed on a discretionary basis, applicant can decide which securities are to be bought and sold and the amount of such securities without limitations as long as they are within the guidelines of a client's Personal Investment Policy Statement. Applicant is granted LPOA to effect trades in client's discretionary accounts and in most cases the authority to deduct management fees.
Part II Page 6 Question 12A.3, 12B, & 13A	<p>Applicant may require that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. (Schwab), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Applicant is independently owned and operated and not affiliated with Schwab. Schwab provides applicant with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the applicant's clients' assets are maintained in accounts at Schwab Institutional and is not otherwise contingent upon Applicant committing to Schwab any specific amount of business (assets in custody or trading). Schwab's services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.</p> <p>For Applicant's clients' accounts maintained in its custody, Schwab generally does not charge separately for custody but is compensated by account holder through transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts.</p> <p>Schwab also makes available to Applicant other products and services that benefit Applicant, but may not benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Howard Financial Services, Ltd.'s accounts, including accounts not maintained at Schwab. Some of these other products and services assist Applicant in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution; allocate aggregated trade orders for multiple client accounts; provide research, pricing information and other market data; facilitate payment of Applicant's fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Schwab Institutional also makes available to Applicant other services intended to help Applicant manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services rendered to Applicant by independent third parties. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third party providing these services to Applicant. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of Howard Financial Services, Ltd.'s personnel. While as a fiduciary, Applicant endeavors to act in its clients' best interest, and Applicant's requirement that clients maintain their assets in accounts at Schwab may be based in part of the benefit to Applicant of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.</p>

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

FORM ADV (Paper Version)
UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION

DOMESTIC INVESTMENT ADVISER EXECUTION PAGE

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial application for SEC registration and all amendments to registration.

Appointment of Agent for Services Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint the Secretary of State or other legally designated officer, of the state in which you maintain your *principal office and place of business* and any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such *persons* may accept service on your behalf, of any notice, subpoena, summons, *order instituting proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding* or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of the state in which you maintain your *principal office and place of business* or of any state in which you are submitting a *notice filing*.

Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person*, having custody or possession of these books and records to make them available to federal and state regulatory representatives.

Signature: _____

Date: June 18, 2009

Printed Name: Theresa M. Stuteville

Title: CCO/President of GP

Adviser CRD Number: 4362529