

## Uniform Application for Investment Adviser Registration

## Part II - Page 1

OMB APPROVAL

OMB Number: 3235-0049

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Name of Investment Adviser:

**Ativo Capital Management, LLC**

Address: (Number and Street)

(City)

(State)

(Zip Code)

Area Code Telephone Number

**11 S LaSalle Street Suite 820****Chicago****IL****60603****312 263-7600 115**

**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 not 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 instruction below.)

**Applicant:**

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

Yes No

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

☐ ☒

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

- |  |   |
|--|---|
| <input checked="" type="radio"/> (1) A percentage of assets under management | <input type="radio"/> (4) Subscription fees |
| <input type="radio"/> (2) Hourly charges                                     | <input type="radio"/> (5) Commissions       |
| <input type="radio"/> (3) Fixed fees (not including subscription fees)       | <input type="radio"/> (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="radio"/> A. Individuals           | <input type="radio"/> E. Trusts, estates, or charitable organizations                    |
| <input type="radio"/> B. Banks or thrift institutions     | <input type="radio"/> F. Corporations or business entities other than those listed above |
| <input type="radio"/> C. Investment companies             | <input type="radio"/> G. Other (describe on Schedule F)                                  |
| <input type="radio"/> D. Pension and profit sharing plans |  |

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

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

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

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

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

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

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

Yes No

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?.....

☒ ☐

(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 checked="" type="radio"/> (1) broker-dealer   | <input checked="" type="radio"/> (7) accounting firm                                       |
| <input checked="" type="radio"/> (2) investment company  | <input checked="" type="radio"/> (8) law firm  |
| <input checked="" type="radio"/> (3) other investment adviser  | <input checked="" type="radio"/> (9) insurance company or agency                           |
| <input checked="" type="radio"/> (4) financial planning firm   | <input checked="" type="radio"/> (10) pension consultant                                   |
| <input checked="" type="radio"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input checked="" type="radio"/> (11) real estate broker or dealer                         |
| <input checked="" type="radio"/> (6) banking or thrift institution   | <input checked="" type="radio"/> (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.)

**9. Participation of 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.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

**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 triggers 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.

**Please See Schedule F**

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

**Please See Schedule F**

**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                    |
|  | <input checked="" type="radio"/> | <input type="radio"/> |
| (2) amount of the securities to be bought or sold? ..... | Yes                              | No                    |
|  | <input checked="" type="radio"/> | <input type="radio"/> |
| (3) broker or dealer to be used? .....                   | Yes                              | No                    |
|  | <input checked="" type="radio"/> | <input type="radio"/> |
| (4) commission rates paid? .....                         | Yes                              | No                    |
|  | <input checked="" type="radio"/> | <input type="radio"/> |

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 commission 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                    |
|   | <input checked="" type="radio"/> | <input type="radio"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes                              | No                    |
|   | <input checked="" type="radio"/> | <input type="radio"/> |

(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
- 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: <b>Ativo Capital Management, LLC</b>	SEC File Number: 801- 65975	Date: 09/16/2009
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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 Form ADV: <b>Ativo Capital Management, LLC</b>	IRS Empl. Ident. No.: 38-3662028
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Item of Form (identify)	Answer
I.D.	<p><b><u>ADVISORY SERVICES</u></b></p> <p>Ativo Capital Management, LLC (hereinafter Ativo), offers the following advisory service to clients.</p> <p><b><u>PORTFOLIO MANAGEMENT</u></b></p> <p>Ativo provides investment advisory service to individuals, bank or thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and state and municipal entities. Ativo does not provide Investment Supervisory Services, defined as giving continuous advice to a client or making investments for a client based on the individual needs of the client. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income). Ativo will manage advisory accounts on a discretionary and non-discretionary basis. Ativo requires that each client enter into a written Investment Management Agreement which sets forth the rights and obligations of Ativo and the client. In most instances, Ativo utilizes its form of Agreement. Ativo may use a form of Agreement requested by the client.</p> <p>Ativo will allocate the client's assets among various investments taking into consideration the overall investment portfolio(s) selected by the client. Ativo will create a portfolio consisting of one or all of the following: traded equities, CDs and bonds. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on the client's behalf. Clients will retain individual ownership of all securities.</p> <p>Ativo exclusively uses securities research provided by its affiliate Ativo Research. Client security purchases or sales are made after Ativo Research publishes its research. Ativo may use shorter-term trading (securities sold within 30 days) whenever such securities research dictates. Ativo receives no research, research-related or other services from broker/dealers or third parties on a soft dollar commission basis. Neither employees of Ativo nor Ativo Research may make personal trading decisions using this research.</p> <p><b><u>ADVISORY FEE SCHEDULE</u></b></p> <p>The annual fee charged will be 1.0% of assets under management. Where Ativo bills the Client directly, Clients will be invoiced in arrears at the end of each calendar quarter based upon the value (market value or fair market value in the</p>

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

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

Applicant:  <b>Ativo Capital Management, LLC</b>	SEC File Number:  801- 65975	Date:  09/16/2009
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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 Form ADV: <b>Ativo Capital Management, LLC</b>	IRS Empl. Ident. No.: 38-3662028
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Item of Form (identify)	Answer
2G	<p>absence of market value, plus any credit balance or minus any debit balance), of the client's account at the end of that quarter.</p> <p>Clients with wrap accounts may be invoiced in advance at the beginning of each calendar quarter based on the account balance on the last day of the preceding quarter as computed and remitted by the broker. The maximum wrap fee charged will be 1.4% of assets under management which will include fees payable to the custodian.</p> <p>The fee charged is calculated as noted above and is not charged on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory client (Investment Advisors Act of 1940 Section 205(a)(1)) unless the client is a qualified client. If Ativo enters into a performance-based fee arrangement with selected clients, such performance fee arrangements will comply with the provisions of SEC Rule 205-3 under the Investment Advisors Act of 1940.</p> <p>In certain circumstances, fees and account minimums may be negotiable.</p> <p><b><u>GENERAL INFORMATION ON FEES</u></b></p> <p>Each client account will be held by a custodian for the account. Ativo will not hold customer funds or securities. Clients may authorize the custodian to charge their account for Ativo's management fee and remit such fee to Ativo in accordance with the required procedures or client may elect to pay such fees separately. The client may grant limited authorization to Ativo to withdraw the contractually agreed upon fees from a client account. Ativo will notify the client in writing prior to the proposed date of withdrawal of the exact amount of the proposed withdrawal and the specific manner and basis on which the fee is calculated.</p> <p>An Investment Management Agreement may be canceled at any time by the client for any reason upon oral notice with written confirmation. Ativo may cancel the Agreement upon thirty days notice, or earlier, under certain circumstances. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.</p> <p><b><u>TYPES OF CLIENTS</u></b></p> <p>Ativo provides investment advice to state and municipal government entities.</p>



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

Applicant:  <b>Ativo Capital Management, LLC</b>	SEC File Number:  801- 65975	Date:  09/16/2009
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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 Form ADV: <b>Ativo Capital Management, LLC</b>	IRS Empl. Ident. No.: 38-3662028
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Item of Form (identify)	Answer
3.L.	<p><b><u>TYPES OF INVESTMENTS</u></b></p> <p>Investment advice may be offered on any investments held by a client at the start of the advisory relationship. Recommendations for new investments will typically be limited to those items checked under Item 3 of Form ADV, Part II.</p>
5.	<p><b><u>EDUCATION AND BUSINESS STANDARDS</u></b></p> <p>Ativo seeks to screen potential employees with regard to character, business background and education, as relevant to the particular employment position. Advisory persons associated with Ativo must possess, minimally, a college degree and/or extensive business experience and all required licenses.</p>
6.	<p><b><u>EDUCATION AND BUSINESS BACKGROUND</u></b></p> <p><b>RICARDO BEKIN</b> Date of Birth: 1/9/63</p> <p>EDUCATION:</p> <p>1984 - Fundacao Getulio Vargas - BBA in Finance 1988 - University of Chicago - MBA (Finance) 1990 - University of Chicago Completed PhD (Finance) course work</p> <p>EMPLOYMENT HISTORY:</p> <p>Ativo Capital Management, LLC inception to present Chief Investment Officer Ativo Research, LLC 03/03 to present Director of Research Callard Madden &amp; Associates, Inc. 07/01 to 03/03 Director of Research Ricardo Bekin (consultant) 10/96 to 06/01 Self-employed</p> <p><b>JAMES STUART</b> Date of Birth: 5/18/50</p> <p>EDUCATION</p> <p>1973 - Illinois Institute of Technology - BS in Engineering 1977 - University of Chicago - MBA (Accounting)</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 3

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

Applicant:  <b>Ativo Capital Management, LLC</b>	SEC File Number:  801- 65975	Date:  09/16/2009
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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 Form ADV: <b>Ativo Capital Management, LLC</b>	IRS Empl. Ident. No.: 38-3662028
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Item of Form (identify)	Answer
9.E.	<p>1997 - Illinois Institute of Technology - MS in Financial Markets 1976 - University of Illinois - CPA Certificate</p> <p><b>EMPLOYMENT HISTORY:</b></p> <p>Ativo Capital Management, LLC - 02/05 to present Chief Operating Officer Ativo Research, LLC - 01/05 to present Chief Operating Officer St. Croix Asset Management LLC - 11/00 to 02/07 Managing Member Catalytica LLC - 02/00 to 12/07 Member</p> <p><b><u>PARTICIPATION OR PERSONAL INTEREST IN CLIENT TRANSACTIONS</u></b></p> <p>Ativo employees may not buy individual equity securities except for purchases in a dividend reinvestment program made after prior written approval or through standardized composites managed by Ativo.</p> <p>Investments may be made in mutual funds, exchange traded funds, unit investment trusts or their equivalent and options thereon.</p> <p>Ativo has established the following restrictions in order to ensure its fiduciary responsibilities:</p> <p>1) No person of Ativo shall prefer his or her own interest to that of the advisory client.</p> <p>2) Ativo reviews company and personal accounts regularly to ensure adherence to this policy.</p> <p>3) Ativo recognizes the unrestricted right of the client to decline to implement any advice rendered.</p> <p>4) Ativo recognizes the unrestricted right of the client to select and choose any broker or dealer they wish.</p> <p>5) Ativo requires that all individuals must act in accordance with all applicable</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 4

**Schedule F of  
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Applicant:  <b>Ativo Capital Management, LLC</b>	SEC File Number:  801- 65975	Date:  09/16/2009
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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 Form ADV: <b>Ativo Capital Management, LLC</b>	IRS Empl. Ident. No.: 38-3662028
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Item of Form (identify)	Answer
10.	<p>Federal and State regulations governing registered investment advisory practices.</p> <p>6) Any individual not in observance of the above may be subject to termination.</p> <p>The above summarizes Ativo's Code of Ethics. A copy will be provided upon request.</p> <p><b><u>CONDITIONS FOR MANAGING AN ACCOUNT</u></b></p> <p>Ativo requires a minimum account of \$100,000 for Portfolio Management clients. This account size may be negotiable under certain circumstances.</p> <p>Please refer to Item 1.D of this Schedule F narrative for additional detail.</p>
11.A.	<p><b><u>REVIEWS AND REVIEWERS OF ACCOUNTS</u></b></p> <p>The underlying security positions in client accounts are continuously monitored. Accounts are reviewed at least monthly by the Ativo's Director of Client Relations and by the Chief Investment Officer as required. More frequent reviews may be triggered by material changes in variables such as the market, political or economic environment or by client request.</p>
11.B.	<p><b><u>REGULAR REPORTS PROVIDED TO CLIENT ACCOUNTS</u></b></p> <p>Monthly statements and confirmations of transactions are provided by the client's broker or custodian. The Director of Client Relations also provides a quarterly analysis of accounts to clients which will include reports on performance, income and expense, realized and unrealized gains and losses, purchases and sales and sector breakdown.</p>
12.A.(1) & 12.A.(2) & 12.A.(3) & 12.A.(4)	<p><b><u>INVESTMENT DISCRETION</u></b></p> <p>Clients who have executed an Investment Management Agreement with Ativo grant Ativo full and unrestricted power and authority to supervise and direct the investment, reinvestment and liquidation of the assets in an account without the approval of or other communication or consultation with the client prior to effecting any transactions involving such assets. Ativo's authority shall remain in effect until changed or terminated, in writing, by a client. Selection of securities is limited to those securities which satisfy Ativo's investment criteria. An affiliate</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 5

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

Applicant:  <b>Ativo Capital Management, LLC</b>	SEC File Number:  801- 65975	Date:  09/16/2009
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1. Full name of applicant exactly as stated in Item 1A of Form ADV: <b>Ativo Capital Management, LLC</b>	IRS Empl. Ident. No.: 38-3662028
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Item of Form (identify)	Answer
12.B.	<p>of Ativo is its sole research provider. Ativo will execute securities transactions based on these recommendations after publication.</p> <p>Ativo seeks "best execution" by seeking execution of securities transactions in such a manner that clients' total cost or proceeds are the most favorable under the circumstances. To the extent possible, Ativo seeks to follow the CFA Institute's Trade Management Guidelines. Brokers are selected and monitored using such factors as their regulatory compliance, their financial condition, their trading infrastructure and their trading expertise. Where directed, Ativo will utilize the broker selected by the client though "best execution" may not be obtained.</p> <p>Ativo does not obtain any products, research or services as part of any institutional brokerage. Ativo does not engage in any principal transactions in which it buys from or sells to any advisory client from its own account.</p> <p><b><u>BROKERAGE DISCRETION</u></b></p> <p>Clients in need of brokerage and custodial services will have either FOLIO Investments, Inc. or TD Ameritrade Institutional recommended to them due to the ease of portfolio management and low wrap fees. As an investment advisor, Ativo receives benefits from these broker/dealers (See the disclosure under Item 13.A. of this Schedule F narrative). Ativo clients must evaluate these brokers before opening an account. The factors considered by Ativo when making this recommendation are the broker's ability to provide professional services, Ativo's experience with the broker, the broker's reputation, and the broker's quality of execution services and costs of such services, among other factors. Clients are not under any obligation to effect trades through a recommended broker. All clients are free to select any broker of their choice. Ativo receives no additional products, research, or services other than that disclosed here.</p> <p>Trades will be allocated on a basis believed to be fair and equitable; no client will receive preferential treatment over any other. The portfolio management team will take steps to ensure that no participating client will be systematically disadvantaged by the aggregation, placement, or allocation of trades.</p>
13.A	<p><b><u>ADDITIONAL COMPENSATION</u></b></p> <p>Ativo participates in various wrap programs. While there is no direct linkage between the investment advice given and participation in the these programs,</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 6

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

Applicant: <b>Ativo Capital Management, LLC</b>	SEC File Number: 801- 65975	Date: 09/16/2009
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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 Form ADV: <b>Ativo Capital Management, LLC</b>	IRS Empl. Ident. No.: 38-3662028
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Item of Form (identify)	Answer
13B	<p>economic benefits are received which would not be received if Ativo did not give investment advice to clients. These benefits include: electronic receipt of client confirmations and statements; access to a trading desk serving program advisors; ability to have investment advisory fees deducted directly from a client account; access through an Internet interface for client order entry and account information. The benefits received through participation in these programs do not depend upon the amount of transactions directed to, or amount of assets custodied by these brokers. Ativo may enter into other programs where similar services are received.</p> <p><b><u>CLIENT REFERRALS</u></b></p> <p>Ativo may engage third-party solicitors to obtain client referrals provided the solicitor has entered into a written agreement and specific disclosures are made as required by SEC Rule 206(4)-3. The solicitor will receive a percentage of the fee charged to the client. A referral from a solicitor will not result in any increase over normal and customary fees charged for the investment advisory services provided.</p> <p><b><u>BUSINESS CONTINUITY</u></b></p> <p>Ativo has adopted policies and procedures for disaster recovery and for continuing Ativo's business in the event of an emergency or other disaster. These policies are designed to allow Ativo to resume providing service to its clients in as short a period as possible. The policies are, to the extent practical, designed to address those specific types of disasters that Ativo might reasonably face given its business and location. In the event of a disaster, clients should check Ativo's website at <a href="http://www.ativocapital.com">www.ativocapital.com</a>.</p> <p><b><u>OTHER BUSINESS ACTIVITIES</u></b></p> <p>Ricardo Bekin, Chief Investment Officer of Ativo Capital Management LLC ("ACM") is Director of Research, of Ativo Research LLC ("AR"), a securities research firm which is a sister company to Ativo Capital Management LLC. James Stuart is the Chief Operating Officer of both firms. AR may recommend ACM to research clients in need of advisory services. ACM may recommend AR to advisory clients in need of research services. Research services provided by AR are separate and distinct from the advisory services of ACM, and are provided for separate and typical compensation. There are no referral fee arrangements between ACM and AR for these recommendations. No ACM client</p>

Complete amended pages in full, circle amended items and file with execution page (page 1). PAGE 7

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

Applicant: <b>Ativo Capital Management, LLC</b>	SEC File Number: 801- 65975	Date: 09/16/2009
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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 Form ADV: <b>Ativo Capital Management, LLC</b>	IRS Empl. Ident. No.: 38-3662028
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Item of Form (identify)	Answer
	<p>is obligated to use AR for any research services, and no AR client is obligated to use ACM for any advisory services.</p> <p><b><u>PROXY VOTING</u></b></p> <p>In the absence of specific voting guidelines from the client, Ativo Capital Management will vote proxies in the best interests of each particular client. Ativo Capital Management's policy is to vote all proxies from a specific issuer the same way for each client absent qualifying restrictions from a client. Clients are permitted to place reasonable restrictions on Ativo Capital Management's voting authority in the same manner that they may place such restrictions on the actual selection of account securities. Ativo Capital Management will generally vote in favor of routine corporate housekeeping proposals such as the election of directors and selection of auditors absent conflicts of interest raised by an auditors non-audit services.</p> <p>In reviewing proposals, Ativo Capital Management will further consider the opinion of management and the effect on management, and the effect on shareholder value and the issuer's business practices.</p> <p>Clients may request a copy of Ativo's Proxy Voting Policies and Procedures and information regarding how Ativo voted a client's proxies.</p>