

## Uniform Application for Investment Adviser Registration

## Part II - Page 1

Name of Investment Adviser:

**D. A. Hudson and Associates**

Address: (Number and Street)

**6133 Rockside Road, Suite 303**

(City)

**Independence**

(State)

**Ohio**

(Zip Code)

**44131**

Area Code: Telephone number:

**(216) 573-1199**

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.)

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

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

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

Applicant:

<input checked="" type="checkbox"/>	(1)	Provides investment supervisory services . . . . .	<b>100</b> %
<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 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 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 type="checkbox"/> A. Individuals                                 | <input 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 checked="" type="checkbox"/> D. Pension and profit sharing plans |   |

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

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

- |  |   |  |   |
|--|---|--|---|
| <input checked="" type="checkbox"/> A. | Equity securities                                       | <input checked="" type="checkbox"/> H. | United States government securities     |
| <input checked="" type="checkbox"/>    | (1) exchange-listed securities                          | <input type="checkbox"/> I.            | Options contracts on:                   |
| <input checked="" type="checkbox"/>    | (2) securities traded over-the-counter                  | <input type="checkbox"/>               | (1) securities                          |
| <input type="checkbox"/>               | (3) foreign issuers                                     | <input type="checkbox"/>               | (2) commodities                         |
| <input type="checkbox"/> B.            | Warrants  | <input type="checkbox"/> J.            | Futures contracts on:                   |
| <input 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 type="checkbox"/> F.            | Municipal securities                                    | <input type="checkbox"/>               | (1) real estate                         |
| <input type="checkbox"/> G.            | Investment company securities:                          | <input type="checkbox"/>               | (2) oil and gas interests               |
| <input type="checkbox"/>               | (1) variable life insurance                             | <input type="checkbox"/>               | (3) other (explain on Schedule F)       |
| <input type="checkbox"/>               | (2) variable annuities                                  | <input type="checkbox"/> L.            | Other (explain on Schedule F)           |
| <input checked="" type="checkbox"/>    | (3) mutual fund shares                                  |  |   |

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

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

- |   |  |
|---|--|
| (1) <input type="checkbox"/> Charting               | (4) <input 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 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, uncovered options or spreading strategies |
| (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   |   |

## 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 advisor 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 in box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

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

Yes



No



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

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

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

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

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

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

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

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

(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.

**Advisory accounts performance will be reviewed on a regular basis versus a set of criteria keyed to individual client goals and objectives.**

**The accounts will be reviewed by the investment committee. A monthly and quarterly report will be issued to each client updating them as to the status of their account. All accounts will be tabulated and tracked using in-house computers matched to custodial reports.**

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

**Monthly and quarterly reports will be sent to each client detailing performance evaluation measurement to a peer group of like managers and appropriate market indices; asset allocation parameters and style analysis.**

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 type="checkbox"/> | <input checked="" type="checkbox"/> |
| (2) amount of the securities to be bought or sold? ..... | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (3) broker or dealer to be used? .....                   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (4) commission rates paid? .....                         | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients? .....

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

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:

- |   | Yes                      | No                                  |
|---|--------------------------|-------------------------------------|
| 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? ..... | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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; 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 sheet? .....	<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).

**FORM ADV**Your Name: **D. A. Hudson and Associates**SEC File No.: **801-43526****Schedule A**Date: **02/01/2010**CRD No.: **106665****Direct Owners and Executive Officers**

1. Complete Schedule A only if you are submitting an initial application. Schedule A asks for information about your direct owners and executive officers. Use Schedule C to amend this information.

2. Direct Owners and Executive Officers. List below the names of:

- (a) each Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Chief Legal Officer, Chief Compliance Officer, director, and individuals with similar status or functions;
- (b) if you are organized as a corporation, each shareholder that is a direct owner of 5% or more of a class of your voting securities, unless you are a public reporting company (a company subject to Section 12 or 15(d) of the Exchange Act);

Direct owners include any *person* that owns, beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 5% or more of a class of your voting securities. For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.

- (c) if you are organized as a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 5% or more of your capital;
- (d) in the case of a trust that directly owns 5% or more of a class of your voting securities, or that has the right to receive upon dissolution, or has contributed, 5% or more of your capital, the trust and each trustee; and
- (e) if you are organized as a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 5% or more of your capital, and (ii) if managed by elected managers, all elected managers.

3. Do you have any indirect owners to be reported on Schedule B? ☐ Yes ☒ No

4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner is an individual.

5. Complete the Title or Status column by entering board/management titles; status as partner, trustee, sole proprietor, elected manager, shareholder, or member, and for shareholders or members, the class of securities owned (if more than one is issued).

6. Ownership codes are:

NA - less than 5%	B - 10% but less than 25%	D - 50% but less than 75%
A - 5% but less than 10%	C - 25% but less than 50%	E - 75% or more

7. (a) In the *Control Person* column, enter "Yes" if the person has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have control. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.
- (b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.
- (c) Complete each column.

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	DE/FE/I	Title or Status	Date Title or Status Acquired		Owner- Ship Code	Control Person		CRD No.. If None; S.S No. and Date of Birth, IRS Tax No., or Employer ID No.	
			MM	YYYY			PR		
Hudson, Donald Alan	I	President	06	1992	E	Yes		280-36-4884	10/24/1942
King, Brian Michael	I	Vice-Pres.	01	2001	NA	No		294-58-9791	06/02/1958
Rodak, John Michael	I	Vice-Pres.	01	2010	NA	No		282-70-6220	07/18/1967

**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

Applicant:

**D. A. Hudson and Associates**

SEC File Number:

801-43526

Date:

02/01/2010

(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:

**D. A. Hudson and Associates**

IRS Empl. Ident. No.:

**34-1693472**

Item of Form  
(identify)

Answer

Item 1-A

All fees for services rendered will be fixed at a yearly rate which will be agreed upon between the applicant and individual client based on the extent of services requested. Billing will typically be done on a quarterly basis.

Item 1-C (2) & (3)

Hourly rates are also offered for individual services at the maximum rate of \$150.00 per hour.

Item 1-D

The client may, within five (5) days from the date of engagement, or at any time thereafter, terminate the engagement and contract thereunder, and accordingly receive a refund of any and all deposits, fees or money advanced on a prorated basis for the time period of the agreement. This termination shall take place by written notice.

Item 5

D. A. Hudson and Associates requires all full-time professionals to have a college degree and applicable experience in the position for which they are being hired.

Item 6

DONALD ALAN HUDSON, born 10/24/42

College: Cuyahoga Community College

Major: Business

Business Background:

01/91 – Present D. A. Hudson and Associates, President, Chief Compliance Officer

BRIAN MICHAEL KING, born 06/02/58

College: Youngstown State University

Major: Business Management

Business Background:

02/00 – Present D. A. Hudson and Associates, Vice President

01/90 – 02/00 Compensation Programs of Ohio, Administrative Manager

D.A. Hudson and Associates maintains a written Code of Ethics for employees to adhere to with respect to their fiduciary duties. The Code is maintained and reviewed on an annual basis with each employee and a copy of the Code is available to any Client or prospective Client upon request.

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