

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

Name of Investment Adviser:						
Address:	(Number and Street)	(City)	(State)	(Zip Code)	Area Code:	Telephone Number:
					()	

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

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

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

FORM ADV**Part II - Page 2**

Applicant:

SEC File Number:

Date:

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Definitions for Part II

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

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

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

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

Applicant:

- | | |
|--|---------|
| <input type="checkbox"/> (1) Provides investment supervisory services | _____ % |
| <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 |
| | <input type="checkbox"/> | <input type="checkbox"/> |

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 type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other |

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

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

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

- | | |
|--|---|
| <input 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 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).

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

- | | |
|---|---|
| <input type="checkbox"/> A. Equity securities | <input type="checkbox"/> H. United States government securities |
| <input type="checkbox"/> (1) exchange-listed securities | <input type="checkbox"/> I. Options contracts on: |
| <input 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 type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| <input type="checkbox"/> D. Commercial paper | <input type="checkbox"/> (2) intangibles |
| <input type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input type="checkbox"/> F. Municipal securities | <input type="checkbox"/> (1) real estate |
| <input type="checkbox"/> G. Investment company securities: | <input type="checkbox"/> (2) oil and gas interests |
| <input type="checkbox"/> (1) variable life insurance | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input type="checkbox"/> (2) variable annuities | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input 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 type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input type="checkbox"/> Technical | |

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

- | | |
|--|--|
| (1) <input type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input type="checkbox"/> Research materials prepared by others | (7) <input 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 type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions |
| (2) <input type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input type="checkbox"/> Option writing, including covered options, uncovered options, or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

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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 type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input type="checkbox"/> (3) other investment adviser | <input type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

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

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? Yes No
 (If yes, describe on Schedule F the partnerships and what they invest in.) ☐ ☐

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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 Yes No assets or other conditions for starting or maintaining an account? ☐ ☐

(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.

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

Applicant:

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

	Yes	No
B. Does applicant or a related person suggest brokers to clients?	<input type="checkbox"/>	<input 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 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 type="checkbox"/> | <input type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes | No |
| | <input type="checkbox"/> | <input 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 type="checkbox"/> |

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

Applicant:

KPH|Invest, Inc.

SEC File Number:

801- 16566

Date:

03/12/2010

(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: KPH Invest, Inc.		IRS Empl. Ident. No.: 36-4272192
Item of Form (identify)	Answer	
1.A. and C.	<p>KPH Invest, Inc. ("KPH") is an investment advisory firm specializing in managing client investment portfolios. A description of the firm's services and fees follow.</p> <p>Account Management Services. KPH provides discretionary investment management services having the goal of investing client assets in securities deemed appropriate by the KPH Representative assigned to manage the client's portfolio. Services begin with an interview between the client and the client's KPH Representative to determine the client's individual needs, current financial situation and risk tolerance. The client's Representative then manages the client's account in a manner consistent with those objectives. Services include regular supervision of securities such as, and not necessarily limited to, stocks, bonds, warrants, mutual funds, municipal securities, government bonds, annuities, certificates of deposit and cash and cash equivalents. Clients may, if they wish, instruct their Representative to refrain from investing in particular industries, or to limit investments to certain kinds of securities. Periodically, KPH's Representative will request an update to the financial information provided by the client to determine if there has been any changes to the client's financial circumstances or goals. Clients are free to call their Representative at any time to discuss the account, their financial situation, or investment needs. Clients receive a report every quarter.</p> <p>Fees for Services. KPH's basic fee schedule for portfolio management is 1.0% annually.</p> <p>For passive fixed income portfolios, the fee is 0.50% annually for assets up to \$10 million; 0.35% up to \$25 million and 0.25% thereafter.</p> <p>For active fixed income portfolios, the fee is 1.0% annually.</p> <p>All asset-based fee calculations are based upon the total market value of assets in a client's account on the last day of the previous three month billing period and are payable after services are provided. Fees for any partial calendar quarter are prorated.</p> <p>In the event of contract termination, which can occur upon 30 days advance written notice from one party to the other, clients are responsible for promptly paying all fees due KPH to the date of termination.</p> <p>Lower fees for comparable services may be available from other sources. Occasionally, KPH negotiates fees which differ from its basic fee schedule.</p> <p>Clients may authorize KPH to withdraw fees due KPH directly from their managed accounts.</p> <p>Clients should be aware that KPH may invest a portion of a client's portfolio in mutual funds. Mutual funds pay advisory fees to their investment advisers, which payments reduce the net asset value of the funds' shares. Additionally, the firm bills clients a fee based on the total value of their portfolios, which are partly comprised of mutual fund holdings. Therefore, clients pay two levels of advisory fees, one directly to KPH for its management services, and one indirectly to the managers of the funds.</p> <p>Sub-Management Services. Often clients receive counseling or limited account management services from other advisory firms such as SII Investments, Inc. While providing these services, the Consultants may recommend that the client obtain the services of another "sub-manager," such as KPH, to manage the client's portfolio on a continuous, discretionary basis. The client's counseling firm continues to provide its services which may include monitoring KPH's account performance.</p>	

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Applicant:

KPH|Invest, Inc.

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03/12/2010

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: KPH Invest, Inc.		IRS Empl. Ident. No.: 36-4272192
Item of Form (identify)	Answer	
	<p>Fees for submanager services, like those for all other managed accounts, will conform with those set forth in the "Fees for Services" section above. Clients should also be aware that the fees charged by KPH are in addition to those charged by the counseling firm. The counselor's fee is also usually asset-based and may be significant, particularly if the counselor is a broker-dealer which "wraps" its commission costs and the account management fee in its asset-based fee charge.</p> <p>Clients should also be aware that the advisory firm which referred the client's account may have the right to terminate KPH's services at will.</p> <p>Clients therefore should carefully review all service contracts and the sponsor's ADV for important information on service levels, fees and termination authority.</p>	
5.	<p>Education and Experience Standards</p> <p>KPH requires its Representatives and other professional staff to have educational and industry experience sufficient to provide thorough management services to clients.</p>	
6.	<p>Professional Staff</p> <p>Jeffrey E. Kanne, born 1937, graduated from the University of Michigan with a Bachelor of Arts degree in 1959. Mr. Kanne also did graduate study at New York University in 1960. He has been the President, Director and Treasurer of KPH since 1981.</p>	
9.E.	<p>Interest in Transactions. Representatives providing advice and other employees of KPH may buy or sell securities which they also recommend to clients. To the extent that transactions, other than mutual funds, are recommended for client account, Representative and employee transactions will be effected either after or simultaneously with client transactions.</p> <p>KPH or individuals associated with KPH may buy or sell securities identical to, or different from, those recommended to clients for their personal accounts.</p> <p>KPH has established a Code of Ethics applicable to all persons at the firm who have access to confidential client records or to recommendations being made for client accounts. Designed to prevent conflicts of interest between the financial interests of clients and the interests of the firm's staff, the Code requires such "access persons" to obtain preapproval of certain securities transactions, to report transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at the firm to determine whether to allow or prohibit certain employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities for client accounts. The Code also establishes certain bookkeeping requirements relating to the new federal reporting rules. The Code is required to be reviewed annually and updated as necessary. A complete copy of the firm's Code is available upon request.</p>	
10.	<p>Conditions for Managing Accounts. All clients are subject to a minimum account size of \$100,000. The minimum may be waived in isolated circumstances, particularly when other assets are expected to be placed under management in the near future.</p>	
12.	<p>Use of Discretion. When providing its account management services, KPH is granted full discretionary trading authority both to select the brokerage firms through which transactions occur and to place transaction orders in the amounts and at the times selected at the will of the client's KPH</p>	

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KPH|Invest, Inc.

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03/12/2010

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: KPH Invest, Inc.		IRS Empl. Ident. No.: 36-4272192
Item of Form (identify)	Answer	
	<p>Representative. There are no limits on the types of securities to be bought, the amount of each security to be bought or sold, the broker or dealer to use, or the commission rates to be paid.</p> <p>KPH selects brokerage firms solely on the basis of their ability to execute and clear transactions in an efficient and competent manner. Executions are evaluated based upon transaction price and size. The firm does not select brokers based upon the purchase of products, research and services, thus client transactions are not directed to a particular broker in return for products or research services received.</p> <p>The following are also factors to be considered by clients:</p> <ol style="list-style-type: none"> 1. When a securities registered representative refers clients to KPH, the client's account remains with the representative's broker-dealer and all trades may be executed through that firm acting as both broker-dealer and custodian. 2. That due to KPH obtaining clients from broker referrals, KPH has a conflict of interest between acting in the referred client's best interest to obtain best price and execution and its interest in executing client transactions through the referring broker-dealer in order to benefit from continued referrals. 3. Clients should be aware that directing transactions and/or brokerage custody of client assets can limit or eliminate KPH's ability to negotiate commissions, receive research, or otherwise obtain best transaction price and execution. 4. KPH may aggregate transactions among clients of a given broker-dealer so that a blocked transaction can occur. Clients participating in the block receive an average execution price. 5. The firm does not negotiate volume commission discounts on block trades. 	
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Complete amended pages in full, circle amended items and file with execution page (page 1).

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03/12/2010

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: KPH Invest, Inc.		IRS Empl. Ident. No.: 36-4272192
Item of Form (identify)	Answer	
	<p>NOTICE REGARDING TREATMENT OF CONFIDENTIAL INFORMATION</p> <p>Privacy Notice to Our Clients.</p> <p>KPH strongly believes in protecting the confidentiality and security of information we collect about you. This notice describes our privacy policy and describes how we treat the information we receive about you.</p> <p>Why We Collect And How We Use Information.</p> <p>When we evaluate your request for our services, provide investment advice to you and process transactions for your account, you typically provide us with certain personal information necessary for these transactions.</p> <p>What Information We Collect.</p> <p>The personal information we collect may include:</p> <ul style="list-style-type: none">• Name and address;• Social Security or taxpayer identification number;• Assets;• Income;• Account balance;• Investment objectives;• Investment activity. <p>How We Protect Information.</p> <p>We do not sell your personal information to anyone.</p> <p>We treat information about current and former clients and their accounts in a confidential manner. Our employees may access information and provide it to third parties only when completing a transaction at your request or providing our other services to you.</p> <p>At your request, we may disclose information to attorneys, accountants, lawyers, securities professionals and others to assist us, or them, in providing services to you. We may also share information with companies that perform services on our behalf, such as the companies that we hire to perform marketing or administrative services. Companies we may hire to provide support services are not allowed to use your personal information for their own purposes. We may make additional disclosures as permitted by law.</p> <p>We also maintain physical, electronic, and procedural safeguards to protect information. Employees and our Representatives are required to comply with our established information confidentiality provisions.</p>	
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**Schedule F of
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KPH|Invest, Inc.

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03/12/2010

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: KPH Invest, Inc.		IRS Empl. Ident. No.: 36-4272192
Item of Form (identify)	Answer	
	<p>Access to And Correction of Information.</p> <p>Generally, upon your written request, we will make available information for your review. Information collected in connection with, or in anticipation of, any claim or legal proceeding will not be made available.</p> <p>If your personal information with us becomes inaccurate, or if you need to make a change to that information, please contact us at the number shown below so we can update our records.</p> <p>Further Information.</p> <p>For additional information regarding our privacy policy, please contact us by writing to us at 221 N. LaSalle Street, Suite 1207, Chicago, Illinois 60601, or calling (312) 372-2255.</p>	
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Complete amended pages in full, circle amended items and file with execution page (page 1).

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	<p style="text-align: center;">PROXY VOTING POLICY</p> <p style="text-align: center;">I. INTRODUCTION</p> <p><u>Applicable Law</u></p> <p>In February 2003, the U.S. Securities and Exchange Commission adopted two new rules under the Investment Advisers Act of 1940 (the "Act"). Rule 206(4)-6, an anti-fraud provision, addresses an investment adviser's fiduciary obligation to clients when the adviser has authority to vote client proxies. The rule requires an investment adviser who exercises such voting authority to adopt policies and procedures reasonably designed to ensure that the adviser votes proxies in the best interest of clients, to disclose to clients the information about those policies and procedures and to explain to clients how they may obtain information about how the adviser has voted their proxies. The rule applies to situations when an advisory contract is silent, but the adviser's voting authority is implied by delegation of discretionary authority. New Rule 204-2, a books and records rule, requires advisers who vote proxies to maintain certain books and records regarding when and why they voted proxies, and a record of what they must provide to clients regarding how proxies were voted.</p> <p><u>Guiding Principles</u></p> <p>These Policies and Procedures have been designed by KPH Invest, Inc. ("KPH") to ensure that proxies are voted in the best interests of clients ("Clients"). This Statement will be reviewed periodically and revised and interpreted as necessary to remain current both with respect to its general terms and with respect to specific corporate governance matters to be voted upon. The Policy and Procedures shall be monitored, discussed and updated as necessary at the recommendation of KPH's manager responsible for ensuring compliance with the Rules. Currently, that person is Steven T. Nelson, KPH's Chief Compliance Officer. This Statement does not apply to those situations where the Client has retained voting discretion. In those situations, KPH will cooperate with the Client to ensure proxies are voted as directed by the Client. In addition, KPH will abide by specific voting guidelines on certain policy issues as requested by particular Clients on a case-by-case basis.</p> <p style="text-align: center;">II. STATEMENT OF POLICY ON VOTING PROXIES</p> <p><u>Primary Objective</u></p> <p>In general, proxies will be voted in a manner designed to maximize the value of Client investments. In evaluating a particular proxy proposal, KPH will take into consideration, among other things, the period of time over which the voting shares of the company are expected to be held, the size of the position, the costs involved in the proxy proposal and the existing governance documents of the affected company, as well as its management and operations. Proxy proposals that change the existing status of a company will be reviewed to evaluate the desirability of the change, and to determine the benefits to the company and its shareholders, but KPH's primary objective is always to protect and enhance the economic interests of its Clients.</p> <p>Generally, it is KPH's policy to vote in accordance with management's recommendations on most issues, since the capability of management is one of the criteria used by KPH in selecting stocks. This policy recognizes the fact that a board of directors is elected by a company's shareholders, it is the duty of the board to elect and oversee competent management personnel, and management of a</p>

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	<p>company will normally have more specific expertise and knowledge as to the company's operations than KPH.</p> <p><u>Exceptions</u></p> <p>When KPH believes management is acting on its own behalf, instead of on behalf of the well-being of the company and its shareholders, or when KPH believes that management is acting in a manner that is adverse to the rights of the company's shareholders, KPH will take steps to represent the interests of its Clients and, as a result, may elect to vote against management's recommendations.</p> <p>Voting issues with respect to which KPH generally will not vote with management because it does not believe it is in the best interests of its respective Clients may include, but are not limited to (i) attempts by management to insulate itself from accountability to shareholders or otherwise entrench itself, and (ii) proposals that have the effect of deterring potential interests in an acquisition or similar corporate transaction at a fair price, which proposals KPH believes might have a negative impact on the value of the company or might otherwise be detrimental to company shareholders.</p> <p>KPH will review all proposals relating to management and director compensation in light of the company's performance and corporate governance practices. KPH normally will vote against significant compensation increases or compensation not tied to company performance in instances where it believes the company is under performing and/or management has not added value to the company. Proxies involving the issuance of stock purchase options to management must be carefully reviewed. Options generally provide important incentives to management and other key personnel, but an excessive number of available options may be harmful to the long-term financing of the company and may dilute shareholder interests unfairly. KPH may withhold votes with respect to a particular director where it believes the board of directors of the company lacks sufficient independence, or where a company director has not participated in guiding the direction of the company, has not attended directors' meetings or has not evidenced a particular interest or ability to add value to the company.</p> <p>In situations where KPH is extremely displeased with management's performance, it may withhold votes or vote against management's slate of directors and other management proposals as a means of communicating its dissatisfaction. This occasion most often develops when KPH believes that management has displayed a consistent inability or lack of interest in moving the company toward achieving its potential and a message needs to be sent that the company's shareholders are not satisfied with the status quo.</p> <p><u>Other Factors KPH Considers</u></p> <p>KPH recognizes that the activity or inactivity of a company with respect to matters of social, political or environmental concern may have an effect upon the economic success of the company and the value of its securities. However, KPH does not consider it appropriate, or in the interests of its Clients, to impose its own moral standards on others. Therefore, it will normally support management's position on matters of social, political or environmental concern, except where it believes that a different position would be in the economic interests of company shareholders. In those cases where KPH casts a vote giving consideration to factors other than those which are in the economic interests of company shareholders, the factors considered and the recommendation on how to vote will be determined by the Chief Compliance Officer.</p> <p style="text-align: center;">III. CONFLICTS</p>	

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

Applicant:

KPH|Invest, Inc.

SEC File Number:

801- 16566

Date:

03/12/2010

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

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	<p>In evaluating a proxy proposal, the Chief Compliance Officer shall be responsible for considering whether there is any circumstance that may give rise to a conflict of interest on the part of KPH in connections with voting Client proxies either because of a business relationship between KPH and the company or otherwise.</p> <p>Instances which could give rise to conflicts include:</p> <p>(a) KPH may manage a pension plan, administer employee benefit plans for or provide other services to a company whose management is soliciting proxies. Failure to vote in favor of management may harm KPH's business relationship with the company.</p> <p>(b) KPH, or an officer, director, employee or representative, may have business or personal relationships with proponents of proxy proposals such as participants in proxy contests, corporate directors or candidates for directorship. These relationships could influence KPH's proxy voting policy.</p> <p>(c) An executive of KPH may have a spouse or other relative who serves as a director, executive, manager or employee of a company. Thus, personal relationships may cause a conflict.</p> <p>(d) An inherent conflict also exists with any other proposal requiring a proxy vote which may influence the revenue received by KPH.</p> <p>All proxy proposals shall be voted on an individual basis. In general, when a conflict exists, the proxy shall be referred to KPH's Chief Compliance Officer who shall determine whether the proxy may be voted by KPH or whether it should be referred to the Client (or another fiduciary of the Client) for voting purposes. KPH will not refrain from voting proxies just because a conflict exists because KPH has a fiduciary duty to take action on all proxies.</p> <p>Alternatively, KPH may consult directly with the Client to obtain the Client's consent before voting the proxies. If Client consent is sought, KPH must provide the Client with sufficient information regarding the matter before shareholders and the nature of KPH's conflict to enable the Client to make an informed decision to consent to KPH's vote.</p> <p style="text-align: center;">IV. NOTICES TO CLIENTS</p> <p>The proxy voting Rule under the Act also requires KPH to describe its proxy voting policies and procedures to Clients and, upon request, to provide Clients with a copy of KPH's policies and procedures. To ensure compliance with this provision, a concise summary of the KPH's proxy voting process must be included in KPH's Form ADV, Part II or delivered separately. Those ADV disclosures shall indicate that a copy of KPH's specific policies and procedures is available to Clients upon request. If more convenient, the disclosures may be made by delivery of a separate document.</p> <p>In addition to the disclosures described above, KPH will disclose to each Client how the Client can obtain information from KPH about how their proxies were voted. As required, KPH will disclose the actual votes cast.</p> <p style="text-align: center;">V. BOOKS AND RECORDS</p> <p>The new Rules do not impose reports of any kind. However, KPH is obligated to prepare and</p>	

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	<p>maintain certain records. To ensure compliance with the Rule, KPH will retain the following records for all proxies voted either manually or electronically:</p> <ul style="list-style-type: none"> (a) A copy of KPH's voting policies and procedures, and amendments thereto; (b) Proxy statements and ballots received regarding Client securities. If such documents are available from the SEC's website, no separate record need be retained provided that the records can be printed and retrieved for at least six years; (c) Records of votes KPH has cast on behalf of clients; (d) Records of client requests for proxy voting information; (e) All documents prepared by KPH that were material to making a decision on how to vote, or that memorialize the basis for the decision; and (f) The records described in (a)-(e) shall be retained for seven years following the calendar year in which the vote is cast. <p style="text-align: center;">VI. SUMMARY</p> <p>The SEC's proxy rules have been adopted under the anti-fraud provision of the Act. Failure to comply with the rule could result in severe consequences to KPH and those responsible for ensuring KPH complies with the Rules.</p>	
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Applicant:	SEC File Number:	Date:
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Complete amended pages in full, circle amended items and file with execution page (page 1).