

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

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Name of Investment Adviser:

Absolute Return Portfolio Management, LLC

Address: (Number and Street)

(City)

(State)

(Zip Code)

Area Code:

Telephone number:

1418 Coburn Drive

Tarpon Springs

FL

34689

(877) 632-7491

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.

- 1. A. Advisory Services and Fees.** (check the applicable boxes) For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

- | | | | |
|-------------------------------------|---|-----|---|
| <input checked="" type="checkbox"/> | (1) Provides investment supervisory services | 100 | % |
| <input type="checkbox"/> | (2) Manages investment advisory accounts not involving investment supervisory services | | % |
| <input type="checkbox"/> | (3) Furnishes investment advice through consultations not included in either service described above | | % |
| <input type="checkbox"/> | (4) Issues periodicals about securities by subscription | | % |
| <input type="checkbox"/> | (5) Issues special reports about securities not included in any service described above | | % |
| <input type="checkbox"/> | (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities | | % |
| <input type="checkbox"/> | (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities | | % |
| <input type="checkbox"/> | (8) Provides a timing service | | % |
| <input type="checkbox"/> | (9) Furnishes advice about securities in any manner not described above | | % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

- B. Does applicant call any of the services it checked above financial planning or some similar term? Yes ☐ No ☒

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

- | | |
|---|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other |

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

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

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

- | | |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations |
| <input type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies | <input checked="" type="checkbox"/> G. Other (describe on Schedule F) |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans | |

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

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 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 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 checked="" 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 type="checkbox"/> Fundamental | (5) <input checked="" 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 checked="" 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 (securities held at least a year) | (5) <input type="checkbox"/> Margin transactions |
| (2) <input checked="" 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 checked="" type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input checked="" 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
- 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 checked="" type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input type="checkbox"/> (3) other investment adviser | <input checked="" type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input checked="" type="checkbox"/> (12) entity that creates or packages limited partnerships |

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

- 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.)

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.)

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 |
|--------------------------|-------------------------------------|
| <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.

Investment models used in the management of portfolios are reviewed daily. Portfolio changes can be made at any time. Matthew N. Xiarhos, Chief Investment Officer, has ultimate authority on any decisions effected for portfolios.

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

Clients are provided with monthly brokerage reports from the custodian of their portfolio. All custodians used provide electronic access to account balances, positions and transaction history.

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

B. Does applicant or a related person suggest brokers to clients? Yes ☒ No ☐

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|---------------------------------|---|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet? Yes ☐ No ☒

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

| | | |
|---|------------------|---------|
| Applicant: | SEC File Number: | Date: |
| Absolute Return Portfolio Management, LLC | 801- 64930 | 3/30/10 |

(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: Absolute Return Portfolio Management, LLC | | IRS Empl. Ident. No.: |
| Item of Form (identify) | Answer | |
| 1D Responses: | <p>1A(1) Absolute Return Portfolio Management LLC (ARPM hereafter) provides regular and continuous management of separate accounts for individuals, trusts, corporations, retirement plans (401K, IRA, pension/profit sharing plans) and registered investment advisors (RIA) for a fee based upon assets under management.</p> <p>1C(1)</p> <p>2G</p> <p>Investment recommendations for ARPM Private Clients and other RIA clients are made simultaneously so no client(s) is disadvantaged. Mutual Fund orders are placed on the same day for all clients. Orders involving Exchange Traded Funds, Closed-end Funds and/or stocks, which trade throughout the day, are effected at or nearest the same trading window (either 11am or 2pm EST/EDT as provided by FOLIOfn). FOLIOfn provides an average cost allocation of executions for orders filled within a particular trading window. Client portfolios not held at FOLIOfn will have mutual fund or variable sub-account orders effected on the same day as all other clients and any investments that trade continuously throughout the day will be placed nearest to the same trading window as those effected at FOLIOfn.</p> <p>Private Client Fee Schedule per annum billed quarterly in advance: \$0 - \$500,000 @1.00%; next \$500,000-\$1,000,000 @ 0.85%; next \$1,000,000 - \$2,000,000 @ 0.70% and 0.60% for assets in excess of \$2,000,000. Fees may be negotiable for a family or related family members when total assets exceed \$2 million . Fee Schedules for RIA's are negotiated on a case by case basis and may vary from the Private Client Fee Schedule.</p> <p>Each client is billed quarterly in advance to account based on the account value on the last day of the closing calendar quarter. For the first billing quarter, if the management account was not opened at the beginning/end of the quarter, the fee will be based upon a pro-rata calculation of the aggregate market value of the client's assets to be managed for the period. In calculating management fees, aggregate market value of assets being managed is based upon Tax ID number.</p> <p>Advisory fees will be taken first from free credit balances or from any money market funds or balances. If such assets are insufficient to satisfy payment of such fees, a portion of the account assets will be liquidated to cover the fees. Such liquidation may affect the relative balances of the account.</p> <p>Contracts may be terminated at any time. Refunds for any and all terminated contracts are refunded directly to the account on a pro-rata basis though older agreements/contracts may state otherwise.</p> <p>ARPM does not vote proxies. This policy is predicated upon the firm's exclusive use of mutual funds and exchange traded funds in the management of portfolios. Any common stock holdings, for which any proxies would apply, would have been purchased as directed by the client or transferred in-kind into the client's account. Client understands and agrees to the responsibility to vote all proxies which are solicited for securities held in the portfolio. Any proxy solicitation received at ARPM's place of business will be immediately forwarded to the Client for their evaluation and decision.</p> <p>INSIDER TRADING In 1988, Congress passed the Insider Trading and Securities Fraud Enforcement Act ("ITSFEA") designed to detect and prevent the misuse of material, non-public information in violation of the Securities and Exchange Act of 1934. The legislation requires that ARPM establish, maintain, and enforce written policies "reasonably designed to prevent the misuse of material, non-public information." In addition, the ITSFEA provided the SEC, under Section 204a of the 1940 Act, with the authority to sanction ARPM and its Registered Advisors for failing to have such procedures in place, whether or not the deficiency resulted in insider trading. The Company also has a duty to supervise persons associated with ARPM with respect to activities performed on the advisor's behalf. Policies available upon request.</p> | |
| PROXY VOTING | | |

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

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

| | | |
|---|------------------|---------|
| Applicant: | SEC File Number: | Date: |
| Absolute Return Portfolio Management, LLC | 801- 64930 | 3/30/10 |

(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: | | IRS Empl. Ident. No.: |
| Item of Form (identify) | Answer | |
| 4A(5) & 4B(8) | Investment allocation and selection decisions are made solely by ARPM using proprietary quantitative models. Sources of information are third-party providers of price & volume data for mutual funds, ETFs and indexes. | |
| 6 | Managing Member & Chief Investment Officer; Matthew N. Xiarhos, DOB 10/28/1966, Bachelor of Science in Bus. Admin from Salem State College, Salem, MA and Masters of Finance from Bentley Graduate School of Business, Waltham, MA. Executive Vice President of Cabot Money Management, Inc Salem, MA from 3/1987-6/2004, Vice President & Chief Investment Officer of LBS Capital Management, Inc. of Clearwater, FL from 7/2004-3/2006. | |
| 9E | Matthew N. Xiarhos and his family members have investment portfolios at FOLIOfn that exactly mirror strategies provided to clients. Trades are executed simultaneously for all accounts to insure just and equitable treatment. | |
| SEC Rule 204(A)1 relating to Codes of Ethics & Personal Trading | ARPM in its fiduciary capacity seeks to maintain the very highest ideals for ethical conduct premised on fundamental principals of openness, integrity, honesty and trust. Clients deserve the highest standard of care and the absence of any conflicts of interest between the advisor and client. Any conflicts of interest that cannot be removed should be clearly and fully disclosed at the onset of any relationship. ARPM views federal and state securities regulations as they pertain to the Advisors Act, its amendments and to insider trading laws as the minimum standard. Client records and financial information must be treated with strict confidentiality. Under no circumstances should such information be disclosed to any third party that has not been granted a legal right from the client to receive such information. ARPM will provide this Code of Ethics to any interested party. Personnel must make report their personal securities holdings and transactions and must obtain pre-approval of certain investments. ARPM maintains and enforce policies and procedures to prevent the misuse of material non-public information of corporate events including the misuse of information about the adviser's securities recommendations, client securities holdings and transactions. | |
| 12A | ARPM will establish discretionary trading authority on all management accounts to execute securities transactions at any time without the prior consent or advice of the client. Discretion is limited to which securities are traded and the amount of capital invested. Discretion does not extend to choosing broker/dealers for each transaction nor the commissions paid. | |
| 12B | ARPM maintains a custodial relationship with FOLIOfn Investments Inc., a NASD licensed broker/dealer (member NASD/SIPC). Managed accounts of ARPM will be maintained at this custodian. ARPM has selected FOLIOfn Investments as the custodian of choice based on FOLIOfn's competitive transaction charges, ARPM's familiarity with FOLIOfn's trading platform, and on-line services for account administration and operational support. However, since ARPM does not recommend, suggest or make available a selection of custodians for the client to choose to custody their account(s), best execution may not always be achieved and the client may pay higher transaction fees. ARPM is not a subsidiary of, nor affiliated with FOLIOfn Investments in any manner. ARPM has sole responsible for any investment advice rendered, and advisory services are provided separately and independently of the brokerage firm. | |

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