



P E R S T I R L I N G

CAPITAL MANAGEMENT, LLC

Performance • Perspective • Per Stirling

FORM ADV PART II

Version Date 01/01/2010

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

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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 government authority.**

Table of Contents

<u>Item Number</u>	<u>Item</u>	<u>Page</u>
1	Advisory Services and Fees	2
2	Types of Clients	2
3	Types of Investments	3
4	Methods of Analysis, Sources of Information and Investment Strategies	3
5	Education and Business Standards	4
6	Education and Business Background	4
7	Other Business Activities	4
8	Other Financial Industry Activities or Affiliations	4
9	Participation or Interest in Client Transactions	5
10	Conditions for Managing Accounts	5
11	Review of Accounts	5
12	Investment or Brokerage Discretion	6
13	Additional Compensation	6
14	Balance Sheet	6
	Continuation Sheet	Schedule F

(Schedule 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.

Applicant:

SEC File Number:

Date:

801-

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 <input type="checkbox"/> | No <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)

Applicant:

SEC File Number:
801-

Date:

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 |
| (3) <input type="checkbox"/> Research materials prepared by others | Securities and Exchange Commission |
| (4) <input type="checkbox"/> Corporate rating services | (7) <input type="checkbox"/> Company press releases |
| | (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 | |

Applicant:

SEC File Number:
801-

Date:

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, please 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 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.)

Applicant:

SEC File Number:
801-

Date:

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 sell for itself securities it also recommended 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 advisory 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 condition 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 account, 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:

SEC File Number:
801-

Date:

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 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"/> |

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

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

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

13. Additional Compensation.

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

- | | | |
|---|--------------------------|--------------------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes | No |
| | <input 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 (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: Per Stirling Capital Management, LLC	SEC File Number: 801-70707	Date: 01/01/2010
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Item of Form	Answer
Page 2 – (1A)	<p>1. Provides Investment Advisory Services: Per Stirling Capital Management LLC. is a registered investment adviser. Per Stirling Capital Management, LLC provides the following services to our clients: Investment advisory services include asset management of both equity and fixed income portfolios, financial consulting, planning, implementation. Investment advisory clients include individuals, corporations, estates, charitable organizations, pension and profit sharing plans and other advisory firms.</p> <p>Manages investment advisory accounts not involving investment supervisory services: We have agreements with other registered investment advisory firms as sub-advisors.</p> <p>Furnishes investment advice through consultations not included in either service described above: We provide hourly consultations with regard to general financial issues at an hourly rate as an option to clients.</p>
Page 2 – (1C)	<p>1. Basic Fee Schedule: Private Client Advisory Fee: Standard client fee is 1.5%</p> <p>Institutional Clients – (Sub-advisory agreements with other RIA firms): Household Assets under \$1 Million fee equals 0.50% Household Assets over \$1Million fee equals 0.40%</p> <p>* Account may be subject to higher and/ or lower fees than those illustrated, based on structure and type of services required. The term “household” refers to the grouping of accounts by common address.</p> <p>Hourly Consultation Rate: Financial Advisors: \$225.00 per hour</p> <p>In most instances, client accounts will be assessed a pro-rata share of the annual fee at the beginning of each calendar quarter. In some instances, for the benefit of the client, the Registered Investment Advisor may invoice the client a separate fee, billed monthly, in lieu of, or in addition to the annual fee to account for hourly fees in payment for additional services provided to client.</p> <p>The fundamental method of calculating fees is as a percentage of assets under management.</p> <p>Investment management fees will be debited from or billed to each account at the beginning of each quarter based on the value of the account as of the end of the prior quarter. The following formula will be used to determine the fee amounts to be assessed.</p> $(\text{Account Value} \times \text{Management Fee}) \times (\# \text{ of days in the Quarter} / 365)$ <p><u>Example:</u> The quarterly assessment (for a 91-day quarter) on a \$100,000 portfolio with a 50 basis point (0.50%) annual management fee would be \$124.66 as shown: $(100,000 \times .005) \times (91/365) = \\124.66</p> <p>Fees are payable in advance on the first day of the quarter and delinquent after the 15th day of the quarter. Any account in which fees are delinquent for more than 15 days is subject to</p>

Schedule F of FORM ADV Continuation Sheet for Form ADV Part II	Applicant: Per Stirling Capital Management, LLC	SEC File Number: 801-70707	Date: 01/01/2010
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(continued)	<p>termination of services hereunder, and any fees earned by the Advisor but unpaid by the Client will accrue at an interest rate equivalent to the prevailing Prime Rate as published by the Wall Street Journal plus 3%. Clients whose services have been terminated will be notified by phone, or by mail to the last known address. The firm will not automatically change an investment position in the event of termination of services regardless of the type of account (i.e. Supervisory or Portfolio Management Accounts).</p> <p>Prorating for New Accounts is calculated by the following formula:</p> $\text{Quarterly Calculation} \times \{\text{Days Remaining in Quarter} / \text{Total \# of Days in Quarter}\}.$ <p>Prorating for Terminating Accounts is calculated by the following formula:</p> $\text{Most Recent Quarterly Fee Assessment} \times \{\text{Days Remaining in Quarter} / \text{Total Number of Days in Quarter}\}.$ <p>If the account owner does not wish to remain a client, a refund of the final credit balance will be mailed to the address of record upon the client's written request.</p>
Page 2 – 2 G.	<p>2. Type of Clients: Other registered investment advisory firms</p>
Page 3	<p>4. Methods of Analysis : Statistical Analysis</p>
Page 4	<p>5. Education & Business Standards: Per Stirling Capital Management requires all associated individuals who give advice to clients on behalf of the firm to have two or more of the following; appropriate securities license, a college degree from an accredited university, minimum of 3 years of industry experience, a professional designation (CFP, CFA, ChFC, etc.)</p>
Page 4	<p>5. Investment Policy Committee consists of: John P. O'Sullivan, Born 1976, Bachelors from University of Texas: 2000, Degree: Business Economics. Further Education: Post Graduate Studies in Statistics. Passed Level I of the CFA examination in 2009. Founded Per Stirling Capital Management 2009. Previous Firm(s): Chief Investment Officer - CACH Capital Management, President - CHOICE Asset Management, Vice President - Lucien, Stirling and Gray.</p> <p>Robert S. Phipps, Born 1960, Bachelors from Washington & Lee University: 1982, Degree: History. Further Education: MBA Classes from Texas State University. Founded Per Stirling Capital Management 2009. Previous Firm(s): Chief Market Strategist - CACH Capital Management, Chief Investment Officer – CHOICE Advisory Group, Founder & Chief Investment Officer- Lucien, Stirling and Gray.</p>
Page 5 – (9E)	<p>9. Participation or Interest In Client Transactions: Persons related to Per Stirling Capital Management, LLC may buy or sell securities that it also recommends to clients. This activity will be monitored by the Investment Policy Committee to insure that the client's interests are protected.</p>
Page 5	<p>10. Conditions for Managed Accounts: Private client minimum is \$250,000.00 Institutional account minimum is \$50,000.00</p>

Schedule F of FORM ADV Continuation Sheet for Form ADV Part II	Applicant: Per Stirling Capital Management, LLC	SEC File Number: 801-70707	Date: 01/01/2010
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Page 6 – (12A)	12. Investment or Brokerage Discretion In discretionary accounts Per Stirling Capital Management, LLC may determine without obtaining specific client consent which securities may be bought and/or sold and in what amount as part of the investment management services provided the client.
Page 6 – (12B)	12. Investment or Brokerage Discretion If deemed to be in the best interest of the client Per Stirling Capital Management may utilize it's discretionary authority to select the broker dealer to be used in the execution of a transaction. The primary factors used in the selection of a broker dealer will be timeliness and consistency of trade execution, availability of product or investment options, and cost of transaction.
Page 6 – (13A)	13. Additional Compensation: Potential Conflict of Interest: It is understood that Associates of the Per Stirling Capital Management, LLC may also be Registered Representatives (brokers), licensed to sell securities through a registered Broker/Dealer, and may be licensed to sell insurance products through various insurance companies. Differing scales and terms of compensation between investment advisor and broker-dealer platforms create a potential conflict of interest in recommending one platform in lieu of another. However, under no circumstances will either Per Stirling Capital Management, LLC or its associates receive commissions or other transaction-related compensation on any account managed under this Agreement by Advisor. Per Stirling Capital may be provided software or other benefits from vendors in order to execute trades in accounts associated with Per Stirling Capital Management, LLC.
Page 6 – (13B)	13. Additional Compensation: Employees or associated individuals of Per Stirling Capital Management, LLC may be compensated for the referral of clients to Per Stirling Capital Management, LLC.