

GlobeScan Capital, Inc.

2650 Fountainview Drive, Suite 322
Houston, TX 77057

Pasupati Sadhukhan: (713) 789-2100
sadhukha@ix.netcom.com

December 2011

This brochure provides information about the qualifications and business practices of GlobeScan Capital, Inc. If you have any questions about the contents of this brochure, please contact us at (713) 789-2100 and/or sadhukha@ix.netcom.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about GlobeScan Capital, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes

This brochure reflects a request for change in regulatory registration from the SEC to the State of Texas.

Table of Contents

Advisory Business.....	1
Fees and Compensation	1
Performance-Based Fees and Side-By-Side Management	2
Types of Clients	2
Methods of Analysis, Investment Strategies and Risk of Loss.....	2
Disciplinary Information.....	3
Other Financial Industry Activities and Affiliations	3
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	3
Brokerage Practices.....	4
Review of Accounts.....	6
Client Referrals and Other Compensation	6
Custody	6
Investment Discretion.....	7
Voting Client Securities	7
Financial Information.....	7
Requirements for State-Registered Advisers.....	7

ADVISORY BUSINESS

Advisory Firm Description

GlobeScan Capital, Inc. ("GlobeScan" or the "Firm") has been in business since January 1996. The principal owner is Pasupati Sadhukhan.

Types of Advisory Services

GlobeScan provides direct investment supervisory services for individual clients, determining each client's investment objective and risk tolerance and creating a customized portfolio. The Firm places trades in the client's portfolio as appropriate, reviewing each portfolio on a continuous basis in light of current market conditions, and confers with clients periodically to ensure that investment objectives, financial situation or risk tolerances have not changed. Please see "Investment Strategies" section for more information.

On occasion, a client may engage GlobeScan for a particular project (analyzing a business, consultation on matters other than investment advice, review of a portfolio not under GlobeScan's management) on an hourly basis.

Tailored Advisory Services

Each client's portfolio is customized to meet the unique investment objective, risk characteristics and income needs of that client. Clients may place restrictions on the Firm's discretion in writing.

Client Assets Under Management

At December 31, 2010, the Firm had \$47 million of discretionary assets under management. GlobeScan does not manage assets on a non-discretionary basis.

FEES AND COMPENSATION

For its services, the Firm charges as follows, based upon the custodian's valuation of the assets in the account(s) at close of market on the last business day of the period. Fees include accrued interest and pending trades and are charged quarterly after the quarter ends at the rate of one quarter of the annual percentage reflected below:

<u>Asset Range</u>	<u>Percent of Total Market Value</u>
All assets	up to 1.25% (annual)

These fees are deducted from each client's account. Fees may be negotiable especially if the portfolio holds a substantial percentage as fixed income instruments. Therefore, clients receiving the same service from the Firm may be paying different fees.

The asset management fees GlobeScan charges are separate from transaction, exchange, wire transfer, margin interest or account fees charged by the custodian. When GlobeScan recommends a mutual fund for a client's account, three separate fees may be charged to the client, either directly or indirectly. The first fee is GlobeScan's

investment management fee where the fund is included in the asset base for the quarterly fee calculation. The second is the set of internal fees charged by the investment company for the fund's investment management, marketing, administration and marketing assistance. These internal expenses are disclosed in each fund's prospectus which is provided to each client by the custodian. (This set of fees also applies to any money market fund purchased in the client's account.) The third fee may be a transaction fee which is assessed by the custodian for its service of providing access to a universe of mutual fund families through one account. To avoid such fees a client would be required to open a separate account with each individual mutual fund company instead of using the custodian recommended by GlobeScan, which would also negatively affect GlobeScan's ability to deliver its services efficiently. Not all mutual fund trades enacted by GlobeScan incur this transaction fee. When recommending mutual funds for client portfolios, GlobeScan only recommends no-load funds. Please see the section "Brokerage Practices" for more detailed information on the Firm's trading practices and selection of custodians and brokers.

Hourly Fees

Clients may engage GlobeScan for hourly work on a negotiated basis. Fees, charged at an hourly rate which varies from \$300 to \$400, depending upon the level of staff required for the project. Fees are due either upon the close of the consultation or upon receipt of an invoice, unless otherwise negotiated.

Termination

The Investment Advisory Agreement allows for termination by either party immediately upon receipt of written notice. The Agreement provides that the client may terminate the agreement within five business days of its effective date without paying any fees or penalties to the Firm. If termination occurs after the first five days of the Agreement, the client will owe GlobeScan for its management services for the number of days in the quarter the portfolio was under management.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

GlobeScan does not charge any performance-based fees or engage in side-by-side management.

TYPES OF CLIENTS

GlobeScan provides investment advisory services to individuals and families.

The Firm has a preferred, but not required, minimum account size of \$250,000, which may be reached by aggregating accounts. However, there may be occasions when the Firm accepts smaller accounts, which is determined on a case-by-case basis.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

GlobeScan directly manages assets for clients with capital appreciation, capital preservation, value and income objectives by selecting individual issues for investment in each client's portfolio. The Firm seeks to minimize investment risk by diversification

according to individual stock, sector, market capitalization and investment style. Each client's equity portion of the portfolio is customized to meet the unique risk characteristics and income needs of that client.

When a client's requirements dictate the use of bonds, and when appropriate bonds are available at a reasonable price, fixed income instruments may be purchased to round out a portfolio's holdings. The Firm may invest its clients' funds in obligations of corporations, municipalities and the U.S. Government. The Firm may also invest fund assets in securities issued or guaranteed by the U.S. Government or its agencies and instrumentalities, including U.S. Treasury securities which differ in their interest rates, maturities and times of issuance. As with the equity portion of the portfolio, the client's fixed income portion is customized to meet the unique risk characteristics and income needs of each individual client.

The Firm conducts its own analysis of equity and bond issues by studying company news releases and publications, financial press reports, and other research.

GlobeScan does not guarantee the future performance of the account or any specific level of performance, the success of any investment decision or strategy that the Firm may use, or the success of the Firm's overall management of the account. The client understands that investment decisions made for the client's account by the Firm are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable. The client is reminded that investing in any security entails risk of loss.

DISCIPLINARY INFORMATION

There have been no disciplinary actions against GlobeScan or Mr. Sadhukhan.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

GlobeScan has no affiliated entities.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

GlobeScan has adopted a Code of Ethics which describes the general standards of conduct that the Firm expects of all Firm personnel (collectively referred to as "employees") and focuses on three specific areas where employee conduct has the potential to adversely affect the client:

- Misuse of nonpublic information
- Personal securities trading
- Outside business activities

Failure to uphold the Code of Ethics may result in disciplinary sanctions, including termination with the Firm. Any client or prospective client may request a copy of the Firm's Code of Ethics which will be provided at no cost.

The following basic principles guide all aspects of the Firm's business and represent the minimum requirements to which the Firm expects employees to adhere:

- Clients' interests come before employees' personal interests and before the Firm's interests.
- GlobeScan must fully disclose all material facts about conflicts of interest of which it is aware between itself and clients as well as between Firm employees and clients.
- Employees must operate on the Firm's behalf and on their own behalf consistently with the Firm's disclosures and to manage the impacts of those conflicts.
- GlobeScan and its employees must not take inappropriate advantage of their positions of trust with or responsibility to clients.
- GlobeScan and its employees must always comply with all applicable securities laws.

Misuse of Nonpublic Information

The Code of Ethics contains a policy against the use of nonpublic information in conducting business for the Firm. Employees may not convey nonpublic information nor depend upon it in placing personal or clients' securities trades.

Personal Securities Trading

GlobeScan or individuals associated with the Firm may buy, sell or hold in their personal accounts the same securities the Firm recommends to its clients. Such trades may occur simultaneously with trades placed on behalf of clients, as long as the client gets the same or a better price. The purchase of IPOs and private placements are allowed with prior permission from Mr. Sadhukhan, the Firm's Chief Compliance Officer.

Employees are required to submit reports of personal securities trades on a quarterly basis, and securities holdings annually. These are reviewed by the Chief Compliance Officer to ensure compliance with the Firm's policies.

Outside Business Activities

Employees are required to report any outside business activities generating revenue. If any are deemed to be in conflict with clients, such conflicts will be fully disclosed or the employee will be directed to cease this activity.

BROKERAGE PRACTICES

Although the Firm may recommend a broker-dealer to serve as custodian for its clients' accounts, each client must sign a separate agreement with the custodian. In recommending a custodian, GlobeScan Capital, Inc. considers:

- the range and quality of the products the custodian offers,
- the technical support provided,
- execution quality,
- commission rates, and
- the financial responsibility and responsiveness of the custodian to both the Firm and its clients.

The Firm has selected TD Ameritrade as its primary custodian because of its discounted commission structure, its ease of reporting, electronic reporting, trading desk, trade executions, and other services provided to investment advisors and their clients. GlobeScan executes most trades through the account custodian to avoid extra “trade away” charges. This use of a primary broker/dealer may slightly compromise GlobeScan’s duty as a fiduciary to attain best execution on a trade by trade basis, but the Firm views all services a custodian broker/dealer provides as execution quality. GlobeScan continues to monitor other broker/dealers to ensure that its clients are receiving competitive commission rates and high quality trade execution.

Research and Other Soft-Dollar Benefits

GlobeScan currently has no formal soft-dollar arrangements, where specific products or services are paid for with soft dollars generated by individual trades the Firm places in client accounts. TD Ameritrade provides GlobeScan with the following:

- Services that allow the firm to operate more efficiently, such as electronic availability of client account information and trade confirmations, and access to specialized customer service personnel.
- Access to certain custodians’ proprietary account management and data transmission services(VEO) to enable GlobeScan to trade clients’ accounts electronically, and
- A security pricing service, and
- Access to written materials, webinars and conferences concerning the market, practice management and compliance.

GlobeScan enjoys increased administrative ease and, hence, profitability when provided with these services. Because of the volume of assets that GlobeScan clients have in custody at TD Ameritrade, the custodian makes certain products and services available to GlobeScan at reduced or waived fees.

Brokerage for Client Referrals

The Firm does not receive referrals from a broker-dealer or any third party providing service to Globescan.

Directed Brokerage

GlobeScan directs all of its clients to open accounts with TD Ameritrade in order to maximize the Firm’s ability to service accounts efficiently. Not all advisers require clients to use a particular custodian or broker/dealer. The fact that GlobeScan receives

services from TD Ameritrade may create a conflict of interest with its clients, although GlobeScan believes its clients benefit as well from services they receive from this custodian.

Order Aggregation

GlobeScan will generally aggregate brokerage orders for clients and allocate the securities purchased or sold among the participating accounts, with each account receiving the same price. The proportion in which participating accounts will share transactions will be determined by the portfolio manager on the basis of investment objectives, cash availability, expected cash and liquidity needs and other relevant factors. The overarching principle for that allocation is that no client is intentionally favored over another client that is similarly situated.

Accounts participating in block trades at TD Ameritrade do not receive commission discounts as a result of the trade. TD Ameritrade charges each account a commission as if the trade had been executed individually.

REVIEW OF ACCOUNTS

Mr. Sadhukhan conducts all reviews of client portfolios managed directly by the Firm. Reviews are conducted as a matter of course on a monthly basis, and quite often weekly and sometimes daily, although additional reviews may be triggered by events such as:

- a client meeting,
- change in a client's risk tolerance, financial position or investment objective,
- change in a company or fund's management,
- unusual market or economic circumstances or
- any other unforeseen event.

GlobeScan does not provide reports for clients' accounts unless requested. Clients often meet with GlobeScan face to face to review their accounts.

CLIENT REFERRALS AND OTHER COMPENSATION

GlobeScan does not pay outside individuals or entities for referring clients.

CUSTODY

The payment of Globescan's fee directly from the client's account is deemed a form of custody by the Securities and Exchange Commission, although all investments and funds are held by an outside qualified custodian. GlobeScan may direct the movement of funds from one account in the client's name to another account in the client's name, but has no access to funds or securities except for this deduction of management fees.

This limited access is monitored by the client through receipt of account statements directly from the custodian. These statements all show the deduction of the management fee from the account and also list all securities priced as of period-end.

When a client receives their statements from the account custodian, clients should carefully review those statements and take the time to compare them with those they may have received from GlobeScan. If the client finds significant discrepancies, the custodian and GlobeScan should be notified.

INVESTMENT DISCRETION

GlobeScan has full trading authority under a limited power of attorney assigned to the Firm in the investment advisory agreement and through the brokerage account application. As a result, GlobeScan will determine both the investments, and how much of each, should be purchased or sold on each client's behalf without receiving permission from the client prior to each trade.

GlobeScan does not manage assets on a non-discretionary basis.

VOTING CLIENT SECURITIES

GlobeScan does not vote client securities for its clients. Clients receive proxy material directly from their account custodian by either email or U.S. mail. Clients may address questions concerning a proxy matter to GlobeScan personnel in writing or by telephone.

FINANCIAL INFORMATION

GlobeScan has no financial condition that might affect its ability to provide services to its clients.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Please see the brochure supplement for information regarding the Firm's owner, Pasupati Sadhukhan.

Nobody in the Firm has been involved in any arbitration claim or proceeding involving unethical practices.

The Firm does not have any relationships or arrangements with any issuer of securities.

Pasupati Sadhukhan

GlobeScan Capital, Inc.

2650 Fountainview Drive, Suite 322
Houston, TX 77057

(713) 789-2100
sadhukha@ix.netcom.com

December 2011

This brochure supplement provides information about Pasupati Sadhukhan that supplements the GlobeScan Capital, Inc. brochure. You should have received a copy of that brochure. Please contact Pasupati Sadhukhan at (713) 789-2100 if you did not receive GlobeScan Capital, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Pasupati Sadhukhan is available on the SEC's website at www.adviserinfo.sec.gov.

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Pasupati Sadhukhan, born 1945

Business Background:

Globescan Capital, Inc., President and Chief Compliance Officer, January 1996 – present

Education:

University of California, Berkeley, PhD Chemical Engineering, 1975

DISCIPLINARY INFORMATION

Mr. Sadhukhan has had no disciplinary or legal events to disclose.

OTHER BUSINESS ACTIVITIES

Mr. Sudhukhan is not actively engaged in any outside business generating revenue.

ADDITIONAL COMPENSATION

Mr. Sudhukhan receives no additional compensation beyond that received from GlobeScan.

SUPERVISION

Mr. Sudhukhan is the senior person at GlobeScan, so does not have a supervisor.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Mr. Sudhukhan has not been found liable in an arbitration claim, nor has he been found liable in a civil, self-regulatory organization, or administrative proceeding.

Mr. Sudhukhan has not been the subject of a bankruptcy petition.