

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Norris, Perne & French (hereinafter “NPF” or “firm” or “we”). If you have any questions about the contents of this brochure, please contact us at (616) 459-3421 or at johnd@norrisperne.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 NPF is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for NPF is 104683.

Item 2. Summary of Material Changes

Since the last annual filing of our Brochure dated March 9, 2011, we have retained the services of ProxyEdge by Broadridge Financial Solutions, Inc., an unaffiliated third-party proxy voting service. Please refer to Item 17 of this Brochure for additional information on this third-party service provider. We have no other material changes to report since our last annual filing.

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Item 4. Advisory Business

NPF is a fee-only SEC-registered investment adviser (SEC file number 801-3475). Our principal place of business is located in Grand Rapids, Michigan. We have been in business since 1933. Robert Boylen and Kurt Arvidson are the firm's current majority equity owners. John Darling, Stephen Wert and John Wisentaner are the firm's current minority equity owners.

Discretionary assets under our firm's management were approximately \$879,380,000 as of 1/31/2012.

We do not currently have any non-discretionary assets under management.

Portfolio Management Services

NPF is in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation target. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background.

We will manage advisory accounts on a discretionary or non-discretionary basis, as agreed with each client. For discretionary accounts, we may implement transactions without seeking prior client consent. For non-discretionary accounts, we will consult with the client regarding planned transactions and seek consent. Therefore, clients with non-discretionary accounts should understand that any delay in obtaining consent may result in less favorable transaction terms, including higher security price and/or higher commissions and/or limited availability of the securities sought.

Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Consulting Services.

Clients can also receive investment advice on a more limited basis. This may include advice on asset allocation to participants in self-directed retirement plans or an isolated area(s) of concern such as investment strategy consultations, estate planning, retirement planning, risk-management or any other specific topic. Clients need to understand that where advisory services only focus on certain limited areas of interests or needs, the client's overall financial situation or needs may not be addressed due to service

limitations set by the client.

Services in General

Our investment, financial planning and consulting recommendations are not limited to any specific product or service offered by a broker dealer or insurance company and will primarily include advice regarding the following instruments:

- Equity securities
- Corporate debt securities
- Municipal securities
- Exchange traded funds (ETFs)
- “No-load” or “load-waived” mutual funds

Occasionally, we may also offer advice/counsel on investments in the following instruments:

- Certificates of deposit
- Warrants
- Commercial paper
- Variable annuities
- United States government securities
- Interests in pooled investment vehicles, including privately placed or non-publicly traded Real Estate Investment Trusts (REITS) and partnerships investing in oil and gas interests or other private entities

We tailor all of our portfolio management and consulting recommendations to the individual needs of each client. Recommendations are tailored based on information gathered through in-person discussions, electronic communications, telephone and client questionnaires. We believe in the concept of diversification or spreading investments among a number of different asset classes.

Item 5. Fees and Compensation

Portfolio Management Services

Our fees for Portfolio Management Services are based upon a percentage of assets under management. Our fees will not exceed the following fee schedule.

<u>Assets Under Management (\$)</u>	<u>Annual Fee (%)</u>
First \$1 million	1.10%
Next \$2 million	0.90%
Over \$3 million	0.75%

Portfolio management fees are charged in advance or in arrears, as agreed with each client, based upon the net value of the assets in the client account on the last business day of the previous quarter or current quarter,.

Depending on the particular arrangement with each client, we will either invoice clients or directly debit their custodial accounts for portfolio management fees.

Consulting Services

We charge Consulting clients on an hourly basis. While fees vary based on the complexity of the plan or project and the range of services we are retained to provide, our base hourly rate ranges from \$150 to \$300 per hour, based on the complexity of the work involved, fees are payable as services are performed. We will estimate how long a project will take and provide the client with a quote based on the hourly rate. We may require an advance deposit and the balance becomes due and payable upon completion of the service. The deposit amount is noted in the agreement the client signs.

Fees in General

Fees for all services are negotiable based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). Discounts, not generally available to our advisory clients, may be offered to family members of NPF.

We may group certain related client accounts for the purposes of determining the account size and/or annualized fee.

Certain legacy client agreements may be governed by fee schedules different from those listed above.

Under no circumstances will we earn fees in excess of \$1,200 more than six months in advance of services rendered.

Account Termination

Clients will have a period of five (5) business days from the date of signing the agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, the client may terminate the agreement by providing us a 30-day written notice at our principal place of business. Upon termination of an account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. On occasion, a complex termination may result in no fees being refunded.

Mutual Fund and ETF Fees and Expenses: All fees paid to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in

each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or an ETF directly, without the services of our firm. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual fund or funds or ETFs are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and ETFs and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Brokerage and Custodial Fees

In addition to advisory fees paid to our firm, clients will also be responsible for all transaction, brokerage, trade-away and custodial fees incurred as part of their account management. Please see Item 12 of this Brochure for important disclosures regarding our brokerage practices.

Item 6. Performance-Based Fees and Side-By-Side Management

We do not charge any fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7. Types of Clients

Our firm generally provides advisory services to individuals, banks, foundations, endowments, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities, school districts and state or municipal governments.

We will generally suggest a minimum relationship size of \$500,000 (with a minimum annual fee of \$4,500).

For equity-only accounts referred to us by Raymond James & Associates, Inc. (hereinafter, "Raymond James"), an unaffiliated broker dealer, member FINRA/SIPC/NYSE and an SEC-registered investment adviser, we suggest a minimum relationship size of \$300,000 (\$100,000 for more concentrated equity accounts).

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Our firm employs the following types of analysis to formulate client recommendations:

Asset Allocation: We attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities,

fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Fundamental Analysis: Fundamental analysis of a business involves analyzing its income statement, financial statements and health, its management and competitive advantages, and its competitors and markets. Fundamental analysis school of thought maintains that markets may mis-price a security in the short run but that the "correct" price will eventually be reached. Profits can be made by trading the mis-priced security and then waiting for the market to recognize its "mistake" and re-price the security. We would typically categorize our individual stock discipline as Middle-to-Large Capitalization Growth.

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock. Therefore, unforeseen market conditions and/or company developments may result in significant price fluctuations that can lead to investor losses.

Mutual fund and/or ETF analysis: We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other funds in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the fund or ETF less suitable of the client's portfolio.

Technical analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and to potentially predict future price movement.

Charting: In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

Cyclical analysis: In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Risks for all forms of analysis: Our securities analysis method relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Our firm employs the following investment strategies to implement investment advice given to clients:

Long-term purchases: We mostly purchase securities with the idea of holding them in the clients account for a year or longer. We may do this because we believe the securities to be currently undervalued. We may do this because we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: At times, we may also purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Trading: On rare occasions we may purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

A risk in a short-term purchase is the potential for sudden losses if the anticipated price swing does not materialize. Moreover, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result

in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Clients should understand that investing in any securities, including mutual funds and ETFs, involves a risk of loss of both income and principal that they should be prepared to bear.

Item 9. Disciplinary Information

Our firm has no reportable disciplinary events to disclose.

Item 10. Other Financial Industry Activities and Affiliations

Neither our firm nor our employees engage in any other financial industry activities or have any other financial industry affiliations.

Item 11. Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Disclosure

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal and state securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports and provides for oversight, enforcement and recordkeeping provisions. A copy of our Code of Ethics is available to our advisory clients and prospective clients upon request to John Darling, Chief Compliance Officer, at the firm's principal office address.

Our firm or individuals associated with our firm may buy or sell securities identical to those recommended to or purchased for customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. This practice results in a potential conflict of interest, as we may have an incentive to manipulate the timing of such purchases to obtain a better price or more favorable allocation in rare cases of limited availability.

To mitigate these potential conflicts of interest and ensure the fulfillment of our fiduciary responsibilities, we have established the following restrictions:

1. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No principal or employee of our firm may prefer his or her own interest to that of the advisory client;
2. It is the expressed policy of our firm that no person employed by us may purchase

or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts;

3. We maintain a list of all securities holdings for our firm and anyone associated with this advisory practice with access to advisory recommendations;
4. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where our firm is granted discretionary authority;
5. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices; and
6. Any individual not in observance of the above may be subject to disciplinary action or termination.

Item 12. Brokerage Practices

Typically, with respect to equity transactions, we do not request or accept the discretionary authority to determine the broker dealer to be used for client accounts. This means that we will not survey or shop the brokerage market place for best execution on a transaction-by-transaction basis. As such, clients must direct us as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that we will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients. *Not all advisers require their clients to direct brokerage.*

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, we will recommend the use of one of several broker dealers, provided that such recommendation is consistent with our fiduciary duty to the client. Generally, for equity transactions, we will recommend the brokerage services offered by the client's custodian. Our clients must evaluate these brokers before opening an account. The factors considered by our firm when making this recommendation are the broker's ability to provide professional services, our experience with the broker, the broker's reputation, and the broker's quality of execution services and costs of such services, and the custodial platform provided to clients, among other factors.

Clients are not under any obligation to effect trades through any recommended broker.

If a client, when undertaking an advisory relationship with our firm, already has a pre-established relationship with a broker and instructs us to execute all transactions through that broker, it should be understood that under those circumstances, we will not have the

authority to negotiate commissions, obtain volume discounts and best execution may not be achieved. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to other clients since our firm may not be able to aggregate orders to reduce transaction costs or the client may receive less favorable prices.

We reserve the right to decline acceptance of any client account for which the client directs the use of a broker if we believe that this choice would hinder its fiduciary duty to the client and/or its ability to service the account.

Our firm will typically request the grant of brokerage discretion for fixed-income trades. In cases where our firm has such brokerage discretion, we will endeavor to select those brokers or dealers which will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's ability to provide professional services, competitive commission/mark-up rates, research and other services which will help us in providing investment management services to clients. We may, therefore recommend (or use) the use of a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance. Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was effected. For Fidelity accounts holding fixed income securities with an aggregate value below \$125,000, all fixed income trades will be traded through Fidelity.

Soft-Dollar Arrangements

While we do not have any formal soft-dollar arrangements, in situations where we have brokerage discretion and consistent with obtaining best execution for clients, we may direct brokerage transactions for clients' portfolios to brokers who provide research and execution services to our firm. These services are of the type described in Section 28(e) of the Securities Exchange Act of 1934 and are designed to augment our own internal research and investment strategy capabilities. Such services include:

- Analyses or reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy, and the performance of accounts;
- Reports concerning interrelated political and economic factors;
- Access to research analysts; and
- Research-related seminars or conferences;

This may be done without prior agreement or understanding by the client (and done at our discretion). Research services obtained through the use of soft dollars may be developed by brokers to whom brokerage is directed or by third-parties which are compensated by the broker. Our firm does not attempt to put a specific dollar value on the services rendered or to allocate the relative costs or benefits of those services among clients, believing that the research we receive will help us to fulfill our overall duty to its clients. We may not use each particular research service, however, to service each client.

As a result, a client may pay brokerage commissions that are used, in part, to purchase research services that are not used to benefit that specific client. Broker-dealers selected by our firm may be paid commissions for effecting transactions for our clients that exceed the amounts other broker-dealers would have charged for effecting these transactions if we determine in good faith that such amounts are reasonable in relation to the value of the brokerage and/or research services provided by those broker-dealers, viewed either in terms of a particular transaction or our overall duty to our clients.

Certain items obtainable with soft dollars may not be used exclusively for either execution or research services. The cost of such "mixed-use" products or services will be fairly allocated and our firm will make a good faith effort to determine the percentage of such products or services which may be considered as investment research. The portion of the costs attributable to non-research usage of such products or services is paid by our firm to the broker-dealer in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934.

When we use client brokerage commissions to obtain research or brokerage services, we receive a benefit to the extent that our firm does not have to produce such products internally or compensate third-parties with our own money for the delivery of such services. Therefore, such use of client brokerage commissions results in a conflict of interest, whereby we have an incentive to direct client brokerage to those brokers who provide research and services utilized by us, even if these brokers do not offer the best price or commission rates for our clients. In addition, our firm theoretically could have an incentive to cause clients to engage in more securities transactions than would otherwise be optimal in order to generate brokerage compensation with which to acquire products or services.

Consequently, we have adopted the following policies and procedures to monitor and mitigate the conflict:

1. We use client commissions to pay for eligible services only, as defined in Section 28(e) and subsequent regulatory and industry guidance;
2. We conduct periodic analysis of volume of transactions sent to each approved broker along with the competitiveness of the commission schedules of each such broker;
3. We periodically evaluate the usefulness of services received from brokers in relation to the amount of commissions directed to each broker; and
4. We monitor any "mixed-use" services received and have developed a procedure for equitable allocation between soft and hard dollars paid for such services.

Our firm participates in the Schwab Institutional (SI) services program offered to independent investment advisers by Charles Schwab & Company, Inc. ("Schwab"), a FINRA-registered broker dealer. Clients in need of brokerage and custodial services will

have Schwab recommended to them. While there is no direct linkage between the investment advice given and participation in the SI program, economic benefits are received which would not be received if our firm did not give investment advice to clients. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving SI participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client account; access, for a fee, to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. The benefits received through participation in the SI program may or may not depend upon the amount of transactions directed to, or amount of assets custodied by, Schwab.

Our firm also participates in the Fidelity Institutional Wealth Services Program (hereinafter, "FIWS") sponsored by Fidelity Brokerage Services LLC (hereinafter, "Fidelity"), member NYSE/SIPC. Clients in need of brokerage and custodial services will have Fidelity recommended to them. While there is no direct linkage between the investment advice given to clients and our firm's participation in the FIWS program, we receive economic benefits which would not be received if we did not give investment advice to clients. These benefits include: A dedicated trading desk that services FIWS participants exclusively, a dedicated service group and an account services manager dedicated to our firm's accounts, access to a real-time order matching system, ability to 'block' client trades, electronic download of trades, balances and positions, access, for a fee, to an electronic interface with FIWS' software, duplicate and batched client statements, confirmations and year-end summaries, the ability to have advisory fees directly debited from client accounts (in accordance with federal and state requirements), availability of third-party research and technology, a quarterly newsletter, access to Fidelity mutual funds, access to AdvisorChannel.com (internet access to statements, confirmations and transfer of asset status), access to Account View (through which clients may access their account information over the internet via our website), access to mutual fund families and mutual funds NOT affiliated with Fidelity, some of which have no transaction fee, ability to have loads waived for our clients who invest in certain Fidelity loaded funds, when certain conditions are met and maintained.

Participation in the SI and FIWS programs results in a potential conflict of interest for our firm, as the receipt of the above benefits creates an incentive for us to use Schwab and/or Fidelity for the execution of client trades.

Nonetheless, we have reviewed the services of Schwab and Fidelity and recommend the services based on a number of factors. These factors include the professional services offered, commission rates, and the custodial platform provided to clients. We may periodically attempt to negotiate lower commission rates for our clients with Schwab and Fidelity.

Should we decide to use another broker dealer to execute a client trade due to better availability, liquidity, or pricing, Schwab and Fidelity may charge an additional trade-away fee for each such trade. Therefore, we will only use this trade-away ability in situations with compelling financial reasons.

Raymond James Referrals

We obtain client referrals through Raymond James as part of its OSM wrap-fee program. Under the terms of this program, Raymond James collects a single all-inclusive fee for its adviser monitoring services, brokerage services, and custodial services. Consequently, clients who are referred to us by Raymond James must utilize the brokerage services of Raymond James and may be subject to higher overall transaction and/or asset holding charges by this broker/custodian than those clients who custody and/or transact through Schwab, Fidelity or other brokers/custodians recommended to or selected for our other clients. While no direct compensation is paid to Raymond James in return for referrals, we may utilize the brokerage services of Raymond James in the purchase of other client securities. The referral arrangement may provide our firm with an incentive to select or recommend the brokerage and/or custodial services of Raymond James for/to our advisory clients based on our interest in receiving client referrals rather than on our client's interest in receiving most favorable execution. To mitigate this conflict of interest, we conduct and document periodic due diligence on the quality of services provided and prices and commissions/mark-up costs charged by Raymond James. We will only use and recommend Raymond James if its services and costs remain competitive in the brokerage marketplace and if its use by our firm results in overall best execution for our clients (this may not apply to clients who had pre-existing Raymond James relationships).

Clients should refer to Raymond James wrap fee brochure (Form ADV Part 2A Appendix 1) for more details regarding its wrap-fee program. In general, when evaluating wrap-fee programs, a client should recognize that transactions are usually effected "net," i.e., without commission. A portion of the wrap fee is generally considered as being in lieu of commissions. Trades are generally expected to be executed only with the broker-dealer with which the client has entered into the wrap fee arrangement, so that the investment managers in the program may not be free to seek best price and execution by placing transactions with other broker dealers. No assurance can be given that the broker-dealers will be able to obtain best execution with respect to transactions effected for such programs.

Accordingly, the client may wish to satisfy him/herself that the broker-dealer offering the wrap-fee arrangement can provide adequate price and execution of most or all transactions. The client should also consider that, depending upon the level of the wrap-fee charged by the broker-dealer, the amount of portfolio activity in the client's account, the value of custodial and other services which are provided under the arrangement, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately.

Accounts referred to us by Raymond James typically follow an equity-only strategy, unlike our other balanced accounts which include both equity and fixed income investments.

Trade Aggregation

We generally aggregate client trades when doing so is advantageous to our clients. Mostly, we will batch client transactions to receive volume discounts and to obtain better and more uniform pricing across client accounts. If we determine that aggregation of trades in a certain situation will be beneficial to our clients, transactions will be averaged as to price and will be allocated among our clients in proportion to the purchase and sale orders placed from each client account on any given day. Any exceptions from the pro-rata allocation procedure will be carefully explained and documented. Such exceptions may occur due to varying cash availability across accounts, divergent investment objectives and existing concentrations, and desire to avoid “odd lots,” (an amount of a security that is less than the normal unit of trading for that particular security).

Item 13. Review of Accounts

The following individuals are responsible for client account reviews:

- John Darling, Partner, Portfolio Manager & Chief Compliance Officer
- Robert Boylen, Partner, Portfolio Manager
- Kurt Arvidson, CFA, Partner, Portfolio Manager
- Stephen Wert, Partner, Portfolio Manager
- John Wisentaner, CFA, Partner, Portfolio Manager
- Charles Dutcher, CFA, Research Analyst & Portfolio Manager

Portfolio Management Services

The above-listed individuals will continuously monitor the underlying securities in client accounts and perform at least quarterly reviews of account holdings for all clients. A second-line review by another portfolio manager will also be conducted under the direction of the firm’s partners. Accounts are reviewed for consistency with client investment strategy, asset allocation, risk tolerance and performance relative to the appropriate benchmark. More frequent reviews may be triggered by changes in an account holder’s personal, tax or financial status, significant deposits or withdrawals or direction of the client. Political, geopolitical and macroeconomic specific events may also trigger reviews.

Clients will receive monthly or quarterly statements and confirmations of transactions from their broker dealer and/or custodian. Our firm will send additional customized quarterly reports showing portfolio positions, cash and cost basis, market value, estimated annual income and/or performance compared to relevant index benchmarks.

Consulting Services

For those clients engaging us for Consulting services, we will not provide any ongoing reviews or reports beyond those specifically outlined in the advisory agreement(s).

Item 14. Client Referrals and Other Compensation

We currently pay referral fees to third parties for referring advisory clients to our firm. If a client is introduced to us by either an unaffiliated solicitor, we may pay that solicitor an ongoing or limited term referral fee ranging from 10% to 35% of the referred client's advisory fee paid to our firm.

Payment of referral fees for prospective client referrals creates a potential conflict of interest to the extent that such a referral is not unbiased and the solicitor is, at least partially, motivated by financial gain. Therefore, such a referral may be made even if our advisory services are not suitable to a particular client's needs or entering into an advisory relationship with us is not, overall, in the best interest of the client. As these situations represent a conflict of interest, we have established the following restrictions in order to ensure our fiduciary responsibilities:

1. All such referral fees are paid in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements;
2. Any such referral fee will be paid solely from our investment management fee, and will not result in any additional charge to the client;
3. If the client is introduced to us by an unaffiliated solicitor, the solicitor, at the time of the solicitation, will disclose the nature of his/her/its solicitor relationship and provide each prospective client with a copy of our Form ADV Part 2 Brochure, together with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between our firm and the solicitor, including the compensation to be received by the solicitor from us; and
4. All referred clients will be carefully screened to ensure that our fees, services, and investment strategies are suitable to their investment needs and objectives.

Item 15. Custody

Custody is defined as any legal or actual ability by our firm to access client funds or securities. Since all client funds and securities are maintained with a qualified custodian, we don't take physical possession of client assets. However, under the current SEC rules, our firm is deemed to have constructive custody of client assets due to various arrangements which give us legal access to client funds, including trustee and co-trustee services offered to a limited number of clients. Therefore, we urge all of our management clients to carefully review and compare their quarterly reviews of account holdings and/or performance results received from us to those they receive from their

custodian. Should you notice any discrepancies, please notify us and/or your custodian as soon as possible.

Item 16. Investment Discretion

For clients granting us discretionary authority to determine which securities and the amounts of securities that are to be bought or sold for their account(s), we request that such authority be granted in writing, typically in the executed investment management agreement.

Should the client wish to impose reasonable limitations on this discretionary authority, such limitations shall be included in this written authority statement. Clients may change/amend these limitations as desired. Such amendments must be submitted to us by the client in writing.

Item 17. Voting Client Securities

Advisory clients may elect to delegate their proxy voting authority to us. Alternatively, clients may, at their election, choose to receive proxies related to their own accounts, in which case we may consult with clients as requested. (With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies.) In order to direct us as to how to vote a particular proxy, clients should contact John Darling, Chief Compliance Officer, directly.

We have retained the services of ProxyEdge by Broadridge Financial Solutions, Inc. (hereinafter "ProxyEdge"), an unaffiliated third-party proxy voting service. Through its platform, ProxyEdge will vote all proxies according to our voting guidelines.

ProxyEdge will maintain all records, including vote decision, date voted, policies for vote decision and meeting information for all of our clients receiving proxies. ProxyEdge will produce comprehensive reports annually showing the company name, CUSIP, meeting date, how the proposals were voted, reasoning behind the vote decision, client name and shares voted.

Clients may obtain a copy of our voting policies, procedures and guidelines by contacting John Darling directly. Clients may request, in writing, information on how proxies for their shares were voted. If any client requests a copy of our complete proxy policies and procedures or information on how we voted for his/her account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s). We will however, upon client request, file "Proofs of Claims" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

Item 18. Financial Information

Under no circumstances will we earn fees in excess of \$1,200 more than six months in advance of services rendered.

Part 2B of Form ADV: *Brochure Supplement*

John D. Darling
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02/02/2012

This brochure supplement provides information about John Darling that supplements the Norris Perne & French LLP brochure. You should have received a copy of that brochure. Please contact John Darling, Chief Compliance Officer, if you did not receive our brochure or if you have any questions about the contents of this supplement.

Item 2. Educational Background and Business Experience

John D. Darling

Year of Birth: 1944

Education:

Mr. Darling graduated from Michigan State University with a BA degree in Transportation in 1966.

Business Background:

Norris Perne & French, LLP, Partner, Chief Compliance Officer, Portfolio Manager from 1982 to present

Item 3. Disciplinary Information

Mr. Darling does not have any history of reportable disciplinary events.

Item 4. Other Business Activities

Mr. Darling is not engaged in any other business or occupation.

Item 5. Additional Compensation

Mr. Darling does not receive any additional compensation from third parties for providing investment advice to its clients.

Item 6. Supervision

As the equity partners of NPF, John Darling, Robert Boylen, Kurt Arvidson, Stephen Wert and John Wisentaner are responsible for all employee supervision and general business strategy of the firm, as well as formulation and monitoring of investment advice offered to client, documenting investment meeting deliberations, overseeing all material investment policy changes, and conducting periodic testing to ensure that client objectives and mandates are being met. John Darling, Chief Compliance Officer, is responsible for monitoring and enforcing compliance with our policies and procedures, Code of Ethics, employee rules of conduct, and all relevant federal and state laws and regulations. All of these individuals can be reached at (616) 459-3421.

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Robert C. Boylen
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Item 2. Educational Background and Business Experience

Robert C. Boylen

Year of Birth: 1963

Education:

Mr. Boylen graduated from the University of Michigan with a BA degree in Psychology in 1985.

Business Background:

Norris Perne & French, LLP, Partner, Portfolio Manager from 1993 to present

Item 3. Disciplinary Information

Mr. Boylen does not have any history of reportable disciplinary events.

Item 4. Other Business Activities

Mr. Boylen is not engaged in any other business or occupation.

Item 5. Additional Compensation

Mr. Boylen does not receive any additional compensation from third parties for providing investment advice to its clients.

Item 6. Supervision

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Kurt M. Arvidson
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Item 2. Educational Background and Business Experience

Kurt M. Arvidson, CFA

Year of Birth: 1966

Education:

Mr. Arvidson graduated from Hope College with a BA degree in Business Administration in 1988 and from Michigan State University, Eli Broad School of Management with an MBA in 1992.

Professional Designations:

Mr. Arvidson earned the Chartered Financial Analyst (CFA) designation in 1998. The CFA designation is an international professional certification offered by the CFA Institute (formerly AIMR) to financial analysts who complete a series of three examinations. To become a CFA charterholder candidates must pass each of three six-hour exams, possess a bachelor's degree (or equivalent, as assessed by CFA institute) and have 48 months of qualified, professional work experience. CFA charterholders are also obligated to adhere to a strict Code of Ethics and Standards governing their professional conduct.

Business Background:

Norris Perne & French, LLP, Partner and Portfolio Manager from 2000 to present

Item 3. Disciplinary Information

Mr. Arvidson does not have any history of reportable disciplinary events.

Item 4. Other Business Activities

Mr. Arvidson is not engaged in any other business or occupation.

Item 5. Additional Compensation

Mr. Arvidson does not receive any additional compensation from third parties for providing investment advice to its clients.

Item 6. Supervision

As the equity partners of NPF, John Darling, Robert Boylen, Kurt Arvidson, Stephen Wert and John Wisentaner are responsible for all employee supervision and general business strategy of the firm, as well as formulation and monitoring of investment advice offered to client, documenting investment meeting deliberations, overseeing all material

investment policy changes, and conducting periodic testing to ensure that client objectives and mandates are being met. John Darling, Chief Compliance Officer, is responsible for monitoring and enforcing compliance with our policies and procedures, Code of Ethics, employee rules of conduct, and all relevant federal and state laws and regulations. All of these individuals can be reached at (616) 459-3421.

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Item 2. Educational Background and Business Experience

Stephen B. Wert.

Year of Birth: 1969

Education:

Mr. Wert graduated from the University of Michigan with a BA degree in History in 1991.

Business Background:

Norris Perne & French, LLP, Partner and Portfolio Manager from 2007 to present

Wert Financial Group, Inc., President, Managing Principal from 2003 to 2007

Item 3. Disciplinary Information

Mr. Wert does not have any history of reportable disciplinary events.

Item 4. Other Business Activities

Mr. Wert is not engaged in any other business or occupation.

Item 5. Additional Compensation

Mr. Wert does not receive any additional compensation from third parties for providing investment advice to its clients.

Item 6. Supervision

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Item 2. Educational Background and Business Experience

John F. Wisentaner, CFA

Year of Birth: 1958

Education:

Mr. Wisentaner graduated from the Wharton School, University of Pennsylvania with a BSE degree in Finance in 1981.

Professional Designations:

Mr. Wisentaner earned the Chartered Financial Analyst (CFA) designation in 1990. The CFA designation is an international professional certification offered by the CFA Institute (formerly AIMR) to financial analysts who complete a series of three examinations. To become a CFA charterholder candidates must pass each of three six-hour exams, possess a bachelor's degree (or equivalent, as assessed by CFA institute) and have 48 months of qualified, professional work experience. CFA charterholders are also obligated to adhere to a strict Code of Ethics and Standards governing their professional conduct.

Business Background:

Norris Perne & French, LLP, Partner and Portfolio Manager from 2008 to present

Fifth Third Private Bank, Senior Portfolio Manager from 2006 to 2008

White Mountain Investment (a division of Cambridge Trust Company), Portfolio Manager from 2002 to 2006

Item 3. Disciplinary Information

Mr. Wisentaner does not have any history of reportable disciplinary events.

Item 4. Other Business Activities

Mr. Wisentaner is not engaged in any other business or occupation.

Item 5. Additional Compensation

Mr. Wisentaner does not receive any additional compensation from third parties for providing investment advice to its clients.

Item 6. Supervision

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02/02/2012

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Item 2. Educational Background and Business Experience

Charles L. Dutcher, CFA

Year of Birth: 1980

Education:

Mr. Dutcher graduated from Michigan State University with a BA degree in Finance in 2003.

Professional Designations:

Mr. Dutcher earned the Chartered Financial Analyst (CFA) designation in 2006. The CFA designation is an international professional certification offered by the CFA Institute (formerly AIMR) to financial analysts who complete a series of three examinations. To become a CFA charterholder candidates must pass each of three six-hour exams, possess a bachelor's degree (or equivalent, as assessed by CFA institute) and have 48 months of qualified, professional work experience. CFA charterholders are also obligated to adhere to a strict Code of Ethics and Standards governing their professional conduct.

Business Background:

Norris Perne & French, LLP, Research Analyst & Portfolio Manager from 2007 to present

GMAC LLC, Financial Analyst from 2003 to 2007

Item 3. Disciplinary Information

Mr. Dutcher does not have any history of reportable disciplinary events.

Item 4. Other Business Activities

Mr. Dutcher is not engaged in any other business or occupation.

Item 5. Additional Compensation

Mr. Dutcher does not receive any additional compensation from third parties for providing investment advice to its clients.

Item 6. Supervision

As the equity partners of NPF, John Darling, Robert Boylen, Kurt Arvidson, Stephen Wert and John Wisentaner are responsible for all employee supervision and general

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