

Part 2A of Form ADV: *Firm Brochure*

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03/28/2012

This brochure provides information about the qualifications and business practices of Arcadia Investment Management Corporation. If you have any questions about the contents of this brochure or would like additional copies, please contact us at 269/349-0800 or dorsey@arcimc.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 Arcadia Investment Management Corporation also 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. Our firm's CRD number is 104867.

Item 2 Material Changes

This brochure has been updated as follows:

1. Assets under management as of 12/31/2011.
2. Removal of sections pertaining to Portfolio Management Services. This service pertains to advisers that manage portfolios on a non-continuous or non-supervisory basis.
2. Consolidation of repetitive language.

Consistent with SEC new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

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Item 4 AIMC Advisory Business

Arcadia Investment Management Corporation (hereinafter referred to as "AIMC") is a SEC-registered investment adviser with its principal place of business located in Michigan. AIMC began conducting business in 1987.

AIMC is owned by eight shareholders, none of which control 25% or more the company.

AIMC offers the following advisory services to our clients:

INDIVIDUAL PORTFOLIO MANAGEMENT

Our firm provides continuous asset management of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on the client's particular circumstances are established, we develop the client's personal investment policy. We consider the nature and amount of all assets and sources of income or support of the client, including assets other than those under management. We create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Once the client's portfolio has been established, we review the portfolio regularly. Changes are made as appropriate to meet client objectives.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities

- Mutual fund shares
- United States governmental securities
- Options contracts on securities

Because some types of investments involve certain additional degrees of risk, they will only be implemented when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

AMOUNT OF MANAGED ASSETS

As of 12/31/2011, we were actively managing \$448,404,919 of clients' assets on a discretionary basis.

Item 5 Fees and Compensation

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT FEES

Effective July 1, 2011, the annualized fees for Investment Supervisory Services are charged as a percentage of assets under management, according to the following schedule:

9/10 of 1% per year for the initial \$1,000,000;

7.5/10 of 1% per year for the next \$4,000,000;

5/10 of 1% per year for the balance of the account.

The minimum annual fee is \$5,000 per family relationship.

A minimum of \$1,000,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. AIMC may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Fees are calculated on the market value of supervised assets on the effective date of the client agreement and subsequently on each anniversary. Clients are billed quarterly in advance. Clients can choose to have invoices sent directly to the custodian, in which case, a copy will be mailed to the client for information purposes.

Limited Negotiability of Advisory Fees: Although AIMC has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under

management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

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

AIMC does not charge performance-based fees.

Item 7 Types of Clients

AIMC provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans(other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

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.

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 potentially predict future price movement.

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.

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.

Risks for all forms of analysis. Our securities analysis methods rely 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.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- 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 advantage 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. When utilizing this strategy, we 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.

Trading. We 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.

Short sales. We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.

Margin transactions. We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings.

Option writing. We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or

prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

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

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 securities laws.

AIMC and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement), an initial public offering, or any securities on AIMC's Approved List. Our code also provides for oversight, enforcement and recordkeeping provisions.

AIMC believes the limited nature of the investments made by officers, directors, shareholders or investment advisors of securities on the Approved List causes the likelihood of a conflict of interest to be extremely remote. Purchases and sales by officers, directors, shareholders and investment advisors in the same securities that are recommended to clients indicates our confidence and commitment to the investment advice we provide. Officers, directors, shareholders and investment advisors are putting their own funds at risk, largely to the same extent client funds are put at risk.

AIMC's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to dorsey@arcimc.com, or by calling us at 800/230-6690.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing

employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. 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.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. 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. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO, private placement investments, or securities on the Approved List by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. For non-discretionary accounts, clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to termination.

Item 12 Brokerage Practices

In some cases, clients direct AIMC to use a particular broker dealer, so we do not have discretionary authority to select a different broker dealer. In these cases, when the client directs the use of a particular broker dealer, the client may pay higher commissions than if AIMC had discretion to choose the broker dealer. The client's commissions may be different than those charged to other client accounts.

In some cases, AIMC may select or suggest a broker dealer where security transactions are executed. Our chief objective in the selection of a broker dealer is the best combination of price and execution. The best price, including commissions and other transaction costs, is normally an important factor in this decision, but we also consider the quality of brokerage services. Factors included in brokerage services are execution capability, willingness to commit capital, financial stability and clearance settlement capability. Given all of the factors considered, transactions will not always be executed at the lowest available commission.

Where more than one broker dealer is believed to be capable of providing the best combination of price and execution, we will sometimes select a broker dealer who provides research. Research includes reports on companies, industries and securities; economic and financial data; financial publications; and computer databases.

AIMC maintains an internal allocation procedure to identify broker dealers who provide research, and we endeavor to direct sufficient commissions to broker dealers to ensure continuing to receive research which is useful. AIMC does not pay any broker dealer higher commissions in order to receive research.

We evaluate brokerage commissions on an ongoing basis using our general knowledge of the securities and brokerage industry and by spot checking with other firms. From time to time, we make a good faith determination that commissions are reasonable in relation to the value of brokerage services and research received.

AIMC does not receive any non-research products or services from broker dealers.

Research received from broker dealers may be used for any or all clients.

As a matter of policy and practice, AIMC does not generally block client trades and, therefore, we implement client transactions separately for each account. Consequently, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisers who block client trades.

As a matter of policy and practice, AIMC does not participate in any soft dollar arrangements.

Item 13 Review of Accounts

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed regularly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by the portfolio manager responsible for the account.

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings.

Item 14 Client Referrals and Other Compensation

As stated in Item 12, our overriding objective in executing security transactions, is seeking the best combination of price and execution. We do have any agreements with any broker dealer to compensate the broker dealer for client referrals. If a broker dealer is capable of providing the best price and execution for a particular transaction, we might select that broker dealer in recognition of a past referral. We do not pay a higher commission than from other broker dealers.

Currently, AIMC has one arrangement where it pays an individual a commission of 10% of the fees billed and collected for one account relationship.

It is AIMC's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts at the client's direction.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. Additionally, a copy of the invoice is mailed to the client. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is

important for clients to carefully review the copy of the invoice statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their fee calculation.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

Clients can optionally direct AIMC to vote proxies for their accounts, or clients can vote proxies themselves. To make a change to the election selected on the investment management agreement, Clients can instruct us in writing.

We will vote proxies in the best interests of its clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

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

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically

reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact their portfolio manager by telephone, email, or in writing.

You can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. You can also instruct us on how to cast your vote in a particular proxy contest by contacting your portfolio manager.

Item 18 Financial Information

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that maintains discretionary authority for client accounts or is deemed to have custody, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. AIMC has no additional financial circumstances to report.

AIMC has not been the subject of a bankruptcy petition at any time during the past ten years.