

COVER PAGE

This brochure provides information about the qualifications and business practices of Mendel Money Management, located at 1200 Shermer Road, #312, Northbrook, IL 60062. If you have any questions about the content of this brochure, please contact us at 847/564-0970 or email us at: mmm89bmm@aol.com. The information in this brochure has not been approved or verified by the United States Securities Exchange Commission or by any state securities authority.

Additional information about Mendel Money Management is available on the SEC's website at www.adviserinfo.sec.gov.

Mendel Money Management is a registered investment adviser, which does not imply a certain level of skill or training.

MATERIAL CHANGES

The only material change from the last ADV Part II, dated 11/07/08, is the following:

Mendel Money Management is no longer a sub-adviser to Westwood Management, Inc.

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ADVISORY BUSINESS

Mendel Money Management, Inc. was formed to provide comprehensive investment counseling services for individual and corporate investors. The company is registered with the Securities and Exchange Commission since its founding in 1989.

The principal owner of the firm is Barry M. Mendel.

Mendel Money Management, Inc. ("MMM"), a registered investment adviser, provides investment supervisory services on a discretionary and non-discretionary basis for individuals, individual retirement plans, sponsors of employee benefit plans (defined contribution and defined benefit) qualified under the Internal Revenue Code and other retirement plans not qualified under the Internal Revenue Code (including Taft-Hartley organizations), trusts, charitable organizations and corporations or other business entities.

Investment counseling should be a personalized service. The primary founding tenet of MMM is constant maintenance and proper supervision of client assets with regular and close client communication.

Clients differ in their specific investment attitudes, temperament, needs, objectives, and ability to assume risk. MMM's portfolio management is tailored to the client rather than to a general program. In establishing a relationship with a client, considerable attention is given to these factors in order to develop a proper objective and method of operation.

The heart of the counseling job is to determine the most appropriate investment program for each client and then to provide it in a consistent and understanding fashion.

In providing investment supervisory services, MMM will: (1) determine the client's investment objectives; (2) buy or sell securities on behalf of the client or make recommendations to that effect; and (3) periodically report to the client the current investment holdings, valuations, transactions, capital gains or losses, and investment income of the client account. Historical performance information of a client account is provided to a client upon request.

Portfolios are managed either in an advisory or discretionary manner as selected by the client. The method of operation varies in the degree of responsibility granted to the company. In the advisory account, MMM provides specific recommendations, but will not take any action unless client approval is received. In the discretionary account MMM has full authority, under power of attorney, to invest portfolio assets in a manner consistent with established objectives.

MMM relies primarily on its research activities in formulating investment programs for clients and continually follows the progress of existing investments. The client's tax situation, income needs, time horizon and attitude toward risk are taken into account.

Mendel Money Management is not involved in any wrap-fee programs.

The amounts of discretionary and non-discretionary assets under management, as of 12/31/11, is, as follows:

U.S. Dollar Amount	Total Number of Accounts	
Discretionary:	(a) \$ 104,154,000	(d) 275
Non-Discretionary:	(b) \$ 5,935,000	(e) 4
Total:	(c) \$ 110,089,000	(f) 279

FEES AND COMPENSATION

Unless otherwise negotiated, MMM charges a quarterly fee at the annual rate of:

<u>Value of Account</u>	<u>Annual Fee</u>
first \$1,000,000	1.00%
next \$2,000,000	0.75%
next \$2,000,000	0.50%
over \$5,000,000	negotiable

This fee is payable quarterly in advance and is based upon the fair market value of a client's assets determined at the end of the preceding calendar quarter. The initial fee is due at the end of the quarter during which advisory services commence and is pro-rated to the end of the calendar quarter based on the initial deposit in the account. These fees are subject to negotiation, and may vary from what is described above.

Clients also will incur brokerage commissions when transactions are effected in their accounts. Listed stocks and NASDAQ over-the-counter stocks are charged an agency fee while bonds and other fixed income instruments normally trade, in lieu of commission, at a mark-up or mark-down from the dealer's contemporaneous cost. These fees are in addition to advisory fees payable to MMM. Safekeeping and custodial services, if any, also are not included in fees paid to MMM.

An advisory contract with MMM may be terminated upon 30 days' notice of either party and any unearned portion of prepaid fees, less any expenses incurred by MMM in connection with the termination, will be refunded to the client.

In addition, MMM pays a referral fee, unless otherwise negotiated, equal to 25% of total management fees earned and received from accounts originated by the finder. The finder acts as a liaison between MMM and the client. The referral fees paid by

MMM will result in a fee increase to those advisory clients referred by the finder as follows:

<u>Value of Account</u>	<u>Annual Fee</u>
first \$1,000,000	1.25%
next \$2,000,000	1.00%
over \$3,000,000	0.50%

These referral fees are subject to negotiation, and may vary from what is described above, resulting in annual advisory fees different than shown above.

MMM does not require a minimum account size, but may charge a minimum annual fee of \$1,000, which equates to an account size of \$100,000. It may not be in the best interest of a client to retain MMM to manage a portfolio having a value of less than \$100,000.

Under special circumstances, fees at rates other than those described above may be negotiated. For accounts with a value of less than \$100,000 MMM may, with the consent of the client, bill semiannually rather than quarterly. Fees are not based on capital gains or any other measure of performance of any account.

From time to time, MMM may accept a direction from a client to invest in a mutual fund, or may recommend investment in a mutual fund for a client wishing to invest in a market segment (for example, foreign securities) in which investment in individual securities is inappropriate for the amount of money to be invested (for example, because adequate diversification cannot be achieved with individual securities). In most cases, the client prefers MMM to retain supervisory responsibility over that investment, and MMM will do so. MMM will treat that mutual fund in the same manner as any other asset in the account, and will include the value of that investment in the value of the account in calculating MMM's fee.

A mutual fund pays its own fees and expenses, including an advisory fee to its investment advisers, and a client investing in a mutual fund will bear its proportionate share of those fees and expenses. In almost all cases, a client could invest in that mutual fund outside the account managed by MMM and then would not have to pay MMM's advisory fee with respect to that mutual fund investment. However, the client would not then have the benefit of MMM's monitoring of that investment and acceptance of responsibility for making recommendations for holding, sale or replacement of that investment. If a client does not wish MMM to retain investment supervisory responsibility over a mutual fund investment, MMM will not charge a fee based on the value of that investment but also will not monitor it and will have no responsibility for recommending to the client whether that investment should be held, sold or replaced.

MMM may also provide non-discretionary investment advice through one-time consultations with individual clients for a negotiated fixed fee or an hourly rate payable after the services are rendered. MMM may also provide non-discretionary consulting services to one or more investment advisers for a negotiated fixed fee payable by the adviser. Fees are not based on capital gains or any other measure of performance of the account.

PERFORMANCE BASED FEES AND SIDE BY SIDE MANAGEMENT

Mendel Money Management does not receive any performance-based fees.

TYPES OF CLIENTS

Mendel Money Management provides investment advise to:

- individuals
- retirement plans
- trusts, estates, and charitable organizations
- corporations

There is no minimum account size.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

Mendel Money Management will rely primarily on its research activities in formulating investment programs for clients and will continually follow the progress of existing investments. Research activities will include thorough management and industry contacts and will be supplemented by a variety of sources of investment information including financial newspapers and periodicals, corporate inspections, third party research, corporate ratings, timing services, required SEC filings and corporate press releases. This information is then subjected to charting and fundamental, technical and cyclical analyses, in order to obtain the greatest degree of evaluation.

Investing in common stocks and fixed-income securities does involve a risk of loss. Common stocks are impacted by world-wide economic and political events, as well as company-specific risks. Fixed income securities are also affected by world-wide economic and political events that affect interest rate movements and credit quality risk.

DISCIPLINARY INFORMATION

There has been no disciplinary action against Mendel Money Management or its employees during the past ten years.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither Mendel Money Management or any of its management are registered or have a pending application to become a broker-dealer, a registered representative, a futures commissions merchant, commodity pool operator, commodity trading advisor, or any associated persons of one of the foregoing entities:

1. broker-dealer
2. municipal securities dealer
3. government securities dealer or broker
4. investment company
5. other pool investment vehicle

There are no material conflicts of interest based on the above information.

C CODE OF ETHICS

MMM's Code of Ethics contains various trading restrictions, such as restricting employee transactions in securities that are recommended for clients and pre-approval requirements (i.e., initial public offerings and private placements). The Code of Ethics prohibits any employee having access to information available through his/her association with the firm (i.e. covered person) from trading in a security either personally or on behalf of client accounts, at a time when the covered person has knowledge of material nonpublic information concerning the issuer of the security, and from communicating such material nonpublic information to others, in violation of the law. Employees and related persons also are required to report any violations of the Code to MMM's Chief Compliance Officer, report on a monthly and annual basis their personal securities transactions and holdings, and comply with all applicable federal securities laws. The Chief Compliance Officer is required to review and monitor the reports of personal securities transactions. Employees and related persons are required to certify that they have read and understand the Code of Ethics. You may obtain a copy of MMM's Code of Ethics at any time upon request.

MMM and related persons may buy or sell for itself or themselves securities that MMM also recommends to clients. Because the investment objectives and personal circumstances of those persons may differ from those of their clients, the timing of such transactions may not coincide with the timing of portfolio transactions for clients. In addition, MMM and its officers, employees and their affiliates and their pension or retirement accounts may purchase or sell securities, which MMM may not purchase for a client account because such securities do not meet the investment guidelines established for the client account. In such instances, MMM is not obligated to offer clients the opportunity to invest or purchase such securities.

MMM is nonetheless mindful of its fiduciary duties and will not deprive clients of, or appropriate to its own advantage, investment opportunities that are suitable for client accounts. MMM does not anticipate such conflicts in the personal securities transactions of its principals or employees. Nonetheless, personal securities transactions by an employee or related person of MMM may raise a potential conflict of interest when such person owns or trades in a security that is considered for purchase or sale by a client. MMM has adopted a Code of Ethics that is designed to detect and prevent such conflicts of interest.

BROKERAGE PRACTICES

Subject only to any client direction to utilize a particular broker or dealer for execution of transactions in that client's account, MMM's overriding objective in effecting portfolio transactions is to seek to obtain the best combination of net price and execution. MMM seeks to achieve this goal by recommending that individual clients open a brokerage account with custodians that have agreed to preferred pricing arrangements for MMM clients such that all negotiated terms directly benefit the client through enhanced services or reduced fees. MMM will transact business only with those firms which MMM believes are of the highest integrity. Recommended brokers or custodians are not necessarily the lowest cost provider, (i.e., discount brokers), but are deemed to be competitively priced for the level of service provided. However, a client is free to retain any custodian or broker dealer he chooses.

MMM generally will execute all such account's securities transactions through that broker-dealer. MMM believes that, in most circumstances, the recommended broker-dealer is capable of offering the best combination of custodial service and ability to obtain best net prices and execution services in effecting portfolio transactions.

Recommended brokers or custodians are selected based on MMM's consideration of a number of factors, including without limitation, the broker or custodian's general reputation, financial strength and stability of the broker, level of services provided, and competitiveness of fees or special expertise. MMM generally receives research from brokers it recommends to clients.

MMM generally recommends brokers to clients that have demonstrated the ability to provide MMM clients with discounted transaction charges, consolidated reporting and duplicate monthly statements. The same benefits are also afforded to MMM's principals and employees. The benefits to MMM and its principals and employees are not a material factor in determining which brokers to recommend. The primary considerations are the research services and discounted commissions provided to the client. MMM does not expect that clients will pay commissions to brokers MMM recommends that are higher than those obtainable from other brokers for comparable client services, although there can be no assurance that clients will pay the lowest commissions available.

The process is not static - MMM continually evaluates the reasonableness of brokerage commissions (based on the foregoing factors and, with the exception of client-directed brokerage discussed below, endeavors to secure brokers who provide rates competitive with those provided to other institutional advisers.

Clients should understand, however, that the sole use of a broker-dealer may result in certain costs or disadvantages to the client, either because the client could pay higher broker commissions, dealer spreads or mark-ups on some transactions, or

may receive less favorable execution of some transactions, or both. Except as described below, MMM will negotiate competitive commission rate schedules and will give consideration to the analytical content and value of certain research and services offered by the broker or dealer. This would include analysts/company meetings, seminars and conferences, written and on-line research reports, and other such services provided by institutional brokerage firms.

Upon evaluation, MMM may elect to use brokers or dealers which have higher commission schedules than the lowest obtainable elsewhere. Any negotiated commission schedule would apply to all clients except as described below, so that each client would share in any benefit which may arise from a brokerage firm's research or services. Research services furnished by brokers in exchange for commissions (i.e. "soft-dollars") may be used in servicing any or all clients of MMM, and such research services may not necessarily be used in conjunction with the accounts that paid commissions to brokers providing such services.

MMM does not generally aggregate orders for its clients into a single aggregated order because of the large number of clients using directed brokerage arrangements. As a result, MMM may not be able negotiate more favorable commission rates based on volume.

MMM, pursuant to its fiduciary duty to its clients, addresses any trade error that may occur with respect to a client account so as to place the client in the position in which the client would have been had the error not occurred.

As indicated above, clients may direct MMM to effect securities transactions through particular brokers or dealers or firms meeting specific criteria. The client may, in some cases, condition such instruction on obtaining competitive price and execution, but in most instances there is no such condition and the client has already established its own commission rate with the broker. It is also common for clients who are referred to MMM by their broker to instruct MMM to direct all brokerage in their accounts to the referring broker at specified levels of commission or commission discounts which may be less favorable than might be attained by MMM. MMM does not discourage relationships with retail brokers and generally will accept clients with the understanding that such clients will maintain their brokerage relationship. These clients should know that MMM's ability to negotiate commission rates for such clients is virtually eliminated; nor is MMM in a position to evaluate additional services that may be provided to such clients. Also, MMM may have a conflict of interest between its duty to obtain a combination of best price and execution for its clients and securing additional business from these persons.

A client who chooses to designate a particular broker-dealer on a "restricted" basis, including a client who designates use of a broker or dealer as custodian of the client's assets, should consider whether such a designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions on some transactions than might otherwise be attainable by MMM, or receive less favorable execution of some transactions, or both. A client who "restricts" brokerage also may be subject to the disadvantages discussed above regarding allocation of IPOs. In determining whether to direct its brokerage to a particular broker on a "restricted" basis in recognition of such services, the client may wish to compare the possible costs or disadvantages of such an arrangement with

the value of the custodial or other services provided.

As noted above, clients who direct MMM to a particular broker may be unable to obtain allocations of new issues of securities or IPOs which MMM purchases or recommends for purchase in other client accounts. It is the firm's policy that such "restricted" accounts not participate in allocations of new issues of equity or convertible securities obtained through brokers and dealers other than that designated by the client.

CLIENT REFERRALS AND OTHER COMPENSATION

MMM may compensate registered representatives of broker/dealers for client referrals by directing all or a portion of any brokerage commissions generated by the clients' accounts to that registered representative, subject to MMM's obligation to secure the best combination of net price and execution. Also, MMM may have a conflict of interest between its duty to obtain a combination of best price and execution for its clients and securing additional business from these persons.

Unless otherwise negotiated, MMM may pay referral fees to persons ("finders") not affiliated with MMM who introduce advisory business to it. These fees are paid pursuant to the solicitor's rule, SEC Rule 206(4)-3, and ordinarily consist of up to 0.25% of the advisory fees paid to MMM by the referred client. The finder acts as a liaison between MMM and the client. The client's fees to MMM generally are increased by the amount of referral fee paid by MMM to the solicitor.

CUSTODY

Mendel Money Management does not maintain custody of any clients' securities or cash.

INVESTMENT DISCRETION

Clients may retain MMM on either a discretionary or non-discretionary basis. Where the client chooses to grant investment discretion to MMM, MMM will normally have the authority to supervise and direct the investments of and for the client's account without prior consultation with the client. Pursuant to this discretionary authority, MMM normally will determine which securities are bought and sold for the account and the total amount of such purchases and sales. MMM's authority may be subject to conditions imposed by the client (e.g., where the client restricts or prohibits transactions in certain types of securities or directs that transactions be effected through specific brokers or dealers).

Where the client does not choose to grant MMM investment discretion, MMM makes recommendations to the client as to which securities are to be bought or sold, and the amounts to be bought or sold. Upon approving the recommended transactions, the client normally will execute the transaction. If the client requests that MMM implement the recommendations, MMM will determine the time and price at which the transactions will be executed, the brokers or dealers through which the transactions will be executed, and the commission rates paid to effect the transactions. As described above with respect to discretionary accounts, the client may direct that MMM effect the transaction through a specific broker or dealer.

There are generally no limitations on MMM's authority to make investment decisions except those called for by adherence to the investment objective. Investment opportunities which are not sufficient to be placed in all accounts because of their size or relative unavailability will be allocated based on factors such as type of account, the composition of other investments in the account and the risk profile of the account. Account specific tax consequences related to selling securities are often the determining factor of account position sizes, holding periods and security turnover.

MMM may accept a client account with limited discretion or where investments are restricted or directed by the client in writing. For example, some accounts may restrict purchases of particular securities, industry groups or specific country's securities and others may reject initial public offerings ("IPOs"). Because of these limitations, these accounts may not participate in all investments made by MMM for its unrestricted accounts.

Like many investment advisers, MMM may be presented with the opportunity to participate in IPOs. Such issues may trade at significant premiums in the first minutes, hours or days of trading and present unique opportunities for gain.

Because of the usually unseasoned nature of the issue and the significant risk of loss in such offerings, all accounts will not be eligible for IPOs. Clients whose investment objectives or stated restrictions preclude investing in new, unseasoned or small capitalization companies will not be considered for investments in IPOs or "new issues". Moreover, clients whose trading strategies discourage short term

trading may be included in the purchase of an IPO or "new issue" but may not allow sale shortly after purchase together with other clients whose objectives do not restrict short term profits. In addition, MMM may determine that based upon its understanding of client investment objectives and regulations pertaining to capital contributions to certain types of accounts (i.e. IRAs), IPOs or "new issues", or certain types of such issues, may be inappropriate or unsuitable for certain client accounts. In addition to the foregoing factors, MMM has established an IPO policy which may further restrict the eligibility and allocation of IPOs or "new issues". This policy is dictated in part by the various brokerage arrangements of MMM clients. Those clients who have directed MMM to execute and settle their trades through a particular broker will not share in an IPO allocation received by MMM from a broker other than the specific directed broker selected by the client. As a result, certain client accounts may have greater opportunities than others to profit by investing in IPOs and "new issues". MMM will honor the restrictions of the Financial Industry Regulatory Authority (formerly, the National Association of Securities Dealers, Inc.), which prevent its members who participate in a distribution from selling "new issues" to certain restricted persons. The persons restricted from acquiring new issues are commonly associated with broker-dealers or are portfolio managers of investment advisers (including MMM), investment companies, banks, savings and loans institutions, insurance companies (or their immediate families), and accounts in which any such persons have a beneficial interest. To preserve the opportunity for MMM's unrestricted accounts to participate in "new issues", MMM may require a client to complete a form disclosing his or her business associations.

For eligible accounts, MMM will allocate IPOs or "new issues" according to a predetermined system. Each eligible account for which MMM indicated an interest in participating in the offering will receive its pro-rata share according to the relative value of the account. Cash balances, account liquidations, minimum position size, small lot orders, and the need to raise cash for a particular account may result in exceptions to the normal allocation procedure, as well as any policy of the selling dealer restricting the number of participating accounts. MMM also will seek to purchase an IPO for a client's account at the request of the client, if such security is suitable for the client's account.

VOTING CLIENTS SECURITIES

For all client accounts which are not subject to the Employee Retirement Income Security Act ("ERISA"), client should understand that MMM will not vote any proxies for securities or exercise voting rights pertaining to investments in a client's account (including without limitation matters relating to conversions, exchanges, mergers, stock splits, rights offerings, recapitalizations and reorganizations). MMM also will not act for clients in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by a client's account. It is client's responsibility to vote any proxies for securities, exercise voting rights, or take any legal actions pertaining to investments in his or her account. If requested, MMM will

assist a client with documentation necessary for the client to take legal actions pertaining to investments in client's account. Ordinarily, the client's custodian will forward proxies or other communications pertaining to investments in client's account to client. Client should contact its custodian if he or she does not receive proxies or other mailings pertaining to the investments in the account.

For those accounts which are subject to ERISA, unless client precludes MMM from voting proxies and exercising voting rights in its advisory agreement with MMM or by letter, or the documents of an employee benefit plan reserve the right to the plan's trustees or named fiduciary, MMM will vote all proxies for securities and exercise voting rights pertaining to investments in client's account (including without limitation matters relating to conversions, exchanges, mergers, stock splits, rights offerings, recapitalizations and reorganizations).

FINANCIAL INFORMATION

Since Mendel Money Management does not require or solicit pre-payment of more than \$1200 in fees per client six months or more in advance, they are not required to provide financial information.

The firm has not been subject to a bankruptcy petition at any time during the past ten years.