

INVESTMENT PROFESSIONALS, INC.

Part 2A of Form ADV The Brochure

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This brochure provides information about the qualifications and business practices of Investment Professionals, Inc. If you have any questions in this brochure, please contact us at (210) 308-8800. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

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

Summary of Material Changes

On July 21, 2010, the U. S. Securities and Exchange Commission (the “SEC”) unanimously adopted changes to Form ADV, Part 2. The new Form ADV, Part 2, also known as the “Brochure”, requires disclosure on distinct topics, and answers must be presented in the order of the items in the form, using the headings in the form. Our goal is to provide you with easy-to-understand “plain English disclosure,” using an easy-to-read format and definite, concrete, everyday words.

Our current Form ADV, Part 2 will be available to our existing and prospective clients 24 hours a day through the SEC’s Investment Advisor Public Disclosure website. Additionally, we will annually and within 120 days of the end our fiscal year, provide you either: (i) a copy of our Form ADV, Part 2 that includes or is accompanied by a summary of material changes; or (ii) a summary of material changes that includes an offer to provide a copy of the current Form ADV, Part 2.

We urge you to carefully review all subsequent summaries of material changes, as they will contain important information about any significant changes to our advisory services, fee structure, business practices, conflicts of interest and disciplinary history.

Summary of Material Changes:

Since our last filing on July 31, 2011, we have made the following material changes to our Form ADV, Part 2:

- FundQuest was acquired by Envestnet
In August 2011, Envestnet agreed to acquire the US activities of FundQuest
Additional information can be found on Envestnet’s website,
www.envestnet.com

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Advisory Business

Investment Professionals, Inc. (“IPI” or the “Company”) refers clients to independent third-party money managers for discretionary or non-discretionary investment advisory and account supervisory services on a fee-only basis. These Programs offer Clients either a single, all-encompassing fee for asset allocation, investment management, securities transactions, custody, clearing, consulting, and performance reporting or a single fee for asset allocation, investment management, consulting and performance reporting with the Client bearing the cost of securities transactions, custody and clearing. The fee structure applicable to each Program is disclosed by each of the third-party money managers. The Company receives a portion of the advisory fee paid to the third-party money managers. In each Program, the Client receives individualized investment advisory services tailored to their particular investment objectives, risk tolerances and guidelines. Clients should be sure to review the Form ADV Part 2 Brochure of each separate account manager whom they choose to do business. A copy will be provided by the Company.

The Advisory Business consists of two areas: (1) Private Asset Management (PAM), and (2) Private Investment Portfolios (PIP).

Private Asset Management (PAM)

The PAM platform is managed by independent third-party money manager, Envestnet. The accounts and assets are held at Pershing, LLC. Envestnet offers a variety of management choices for Clients to choose from which are described below:

1. Mutual Fund Portfolios
2. Active Passive Portfolios® Program
3. Income Portfolios
4. ETF Portfolios
5. Russell LifePoints® Target Portfolio Series
6. Russell Strategic Portfolios
7. Managed Choice
8. Unified Managed Account (UMA) Program

The information below provides an overview of each Program managed by Envestnet.

Mutual Fund Portfolios - This discretionary Program shall include mutual funds selected by Envestnet based on the responses to the Profile or other appropriate suitability analysis submitted by the Client. Mutual funds shall be purchased on a “no load” or a “load waived” basis through the Custodian. The Program Account shall be managed in accordance with a model portfolio created by Envestnet. Rebalancing will be conducted as needed and generally when the portfolio has deviated from its target asset allocation or as market condition warrant.

Active Passive Portfolios® - This discretionary Program shall include the selection of ActivePassive Funds® (each a “Fund”) selected by Envestnet based on the responses to the Profile or other appropriate suitability analysis submitted by the Client. Envestnet acts as the Advisor for the Funds. The Funds shall be purchased on a “no load” or a “load waived” basis through the Custodian. Envestnet shall have unlimited investment discretion with respect to any changes to investments in the Program Accounts, within the parameters of the selected portfolio model. Rebalancing will be conducted as needed and generally when the portfolio has deviated from its target asset allocation or as market condition warrant.

Income Portfolios – This discretionary Program shall include mutual funds selected by Envestnet based on the responses to the Profile or other appropriate suitability analysis submitted by the Client. Envestnet shall select mutual funds in order to design a portfolio with a special emphasis toward investments designed to generate stable income from dividend distributions and interest. Mutual funds shall be purchased on a “no load” or a “load waived” basis through the Custodian. Rebalancing will be conducted as needed and generally when the portfolio has deviated from its target asset allocation or as market condition warrant.

ETF Portfolios – This discretionary Program shall include exchange-traded funds (“ETFs”) and exchange traded notes (“ETNs”) selected by Envestnet based on the responses to the Profile or other appropriate suitability analysis submitted by the Client. ETFs and ETNs shall be purchased through the Custodian. Envestnet shall have unlimited investment discretion with respect to any changes to investments in the Program Accounts, within the

parameters of the selected portfolio model. Rebalancing will be conducted as needed and generally when the portfolio has deviated from its target asset allocation or as market condition warrant.

Russell LifePoints® Target Portfolio Series – This discretionary Program shall include a Frank Russell Company Investment Management Company LifePoints® Fund selected by Envestnet based on the responses to the Profile or other appropriate suitability analysis submitted by the Client. Mutual funds shall be purchased on a “no load” or a “load waived” basis through the Custodian. Envestnet shall have unlimited investment discretion with respect to any changes to investments in the Program Accounts, within the parameters of the selected portfolio model.

Russell Strategic Portfolios – This discretionary Program shall include the selection of Frank Russell Company Investment Management Company (“Russell”) funds selected by Envestnet based on the responses to the Profile or other appropriate suitability analysis submitted by the Client. Envestnet shall utilize Russell’s mutual fund asset allocation models in its selection of Russell funds to develop an investment portfolio for the Program Account. Mutual funds shall be purchased on a “no load” or a “load waived” basis through the Custodian. Envestnet shall have unlimited investment discretion with respect to any changes to investments in the Program Accounts, within the parameters of the selected portfolio model. Rebalancing will be conducted as needed and generally when the portfolio has deviated from its target asset allocation or as market condition warrant.

Managed Choice – This non-discretionary Program shall include mutual funds selected by the Provider’s Advisory Representative based on the responses to the Profile or other appropriate suitability analysis submitted by the Client. Mutual Funds shall be purchased on a “no load” or a “load waived” basis through the Custodian. The Program may also include Exchange Traded Funds (“ETFs”), and general securities (stocks, bonds and options) selected by the Provider’s Advisory Representative based on the information submitted by the Client. The Program may also include sub-accounts of Client’s Program Account (“Sub-Accounts”) managed by registered investment advisors (“Separate Account Managers”) selected by the Advisory Representative based on the information submitted by the Client. All Separate Account Managers shall enter into appropriate, standard-form sub-advisory contracts with Envestnet obligating each Separate Account Manager to perform its respective duties in accordance with the requirements of the Program and this Agreement. The Client shall approve all transactions in the Program Account other than transactions of approved Separate Account Managers who will manage the Sub-Accounts on a discretionary basis. The Client shall approve the selection of Separate Account Managers.

Unified Managed Account (UMA) Program – This discretionary Program shall include general securities, including mutual funds, Exchange Traded Funds (“ETFs”), stocks and bonds selected by Envestnet based on the responses to the Profile or other appropriate suitability analysis submitted by the Client. Mutual funds shall be purchased on a “no load”

or a “load waived” basis through the Custodian. Envestnet has arrangements with certain other registered investment advisors who have agreed to act as third-party providers of research services (“Research Providers”). Envestnet shall from time to time obtain purchase and sale recommendations of such Research Providers in the form of model portfolios or otherwise as appropriate in order that Envestnet may manage certain assets in accordance with a Research Provider’s recommendations. Envestnet shall have unlimited investment discretion with respect to any changes to investments in the Program Accounts, within the parameters of the selected portfolio model. Rebalancing will be conducted as needed and generally when the portfolio has deviated from its target asset allocation or as market condition warrant.

Private Investment Portfolios (PIP)

The Private Investment Portfolios are managed on a discretionary basis by independent third-party money managers. The Client accounts are held at various Custodians. These money managers offer a variety of investment portfolio strategies for Clients to choose from. The following are money managers on the PIP platform:

- Curian Capital
- Genworth Financial
- Lockwood Advisors
- Symmetry Partners
- SEI Investments
- Wealth Architect (no longer offered)

Clients should be sure to review the Form ADV Part 2 Brochure of each separate account manager whom they choose to do business. A copy will be provided by the Company.

Fees and Compensation

The Programs offer Clients either a single, all-encompassing fee for asset allocation, investment management, securities transactions, custody, clearing, consulting, and performance reporting OR a single fee for asset allocation, investment management, consulting and performance reporting with the Client bearing the cost of securities transactions, custody and clearing. The fee structure applicable to each Program is disclosed to the Client by each of the third-party money managers at account opening. In the event of cancellation, any unearned fees will be promptly due. The client may cancel agreements at any time in which case any fees due will be pro-rated. The Company receives a portion of the advisory fee paid to the third-party money managers.

In the event of cancellation, any unearned fees will be promptly due. The client may cancel agreements at any time, in which case any fees due will be pro-rated.

Fees are calculated and billed quarterly in advance based on a percentage of the average daily fair market value of assets in the Program Account during each previous calendar quarter. Accounts opened during any calendar quarter will be based on the average daily fair market value of assets in the Account during the first month, prorated for the days the Account is open during the first calendar quarter. The money managers have authority to require the Custodian to debit the accounts directly for such fees. These fees are disclosed in the Form ADV Part 2 Brochure of each separate account manager. A copy will be provided by the Company.

Performance Based Fees and Side-by-Side Management

Performance based fees are fees based on a share of capital gains on or capital appreciation of the assets of a client. An adviser charging performance fees to some accounts faces a variety of conflicts because the adviser can potentially receive greater fees from its accounts having a performance-based compensation structure than from those accounts it charges a fee unrelated to performance (e.g., an asset-based fee). As a result, the adviser may have an incentive to direct the best investment ideas to, or to allocate or sequence trades in favor of, the account that pays a performance fee. The Company does not charge any performance-based fees.

Types of Clients

The Company primarily offers customized investment management services to individuals and associated trusts, estates, or charitable organizations, banks or thrift institutions, pension and profit sharing plans and other corporations or business entities through the IPI selected money managers.

The financial advisor collects Client responses to the Profile or other appropriate suitability analysis then reviews the Client's specific circumstances, current investments and investment goals in order to determine an appropriate money manager investment strategy.

Methods of Analysis, Investment Strategies and Risk of Loss

All investing involves a risk of loss and the investment strategies offered by the different money managers could lose money over short or even long periods. No guarantee or representation is made that the investment programs offered by the different money managers will achieve their investment objective. The description contained below is a brief overview of different investment risks related to the different money manager's advisory services:

Investing in securities is inherently risky - An investment in individual securities or in a portfolio of securities could lose money. The money managers cannot give any guarantee that they will achieve their investment objectives or that any client will receive a return of their investment.

Management Risk - Management risk means that your investment varies with the success and failure of the money manager's investment strategies and the money manager's research, analysis and determination of portfolio securities.

Using third party Separate Account Managers generate multiple levels of fees and expenses - By using Separate Account Managers, the client is subject to higher management fees. Clients should be sure to review the Form ADV Part 2 Brochure of each separate account manager whom they choose to do business. A copy will be provided by the Company.

Each Separate Account Manager invests independently - Programs that using Separate Account Managers will generally invest wholly independently of one another and may at times hold economically offsetting positions. To the extent that Separate Account Managers hold such positions, the client, considered as a whole, may not achieve any gain or loss despite incurring fees and expenses in connection with such positions. Clients should be sure to review the Form ADV Part 2 Brochure of each separate account manager whom they choose to do business. A copy will be provided by the Company.

Stock Market Risk - The price of common stocks and other securities held may decline due to market conditions.

Issuer Risk - The value of a security may decline for a number of reasons, which directly relate to the issuer, such as management performance, financial leverage, and reduced demand for the issuer's goods and services.

Industry or Sector Emphasis Risk - Investing a substantial portion of assets in related industries or sectors may have greater risks because companies in these industries or sectors may share common characteristics and may react similarly to market developments.

Non-Diversification Risk - Non-diversified mutual funds have the ability to take larger positions in a smaller number of issuers than a diversified fund, which makes a non-diversified fund more susceptible to financial, economic or market events impacting such issuers and a non-diversified fund's share price may be more volatile than the share price of a diversified fund.

Mutual Fund and ETF Trading Risk - Money managers may invest in mutual funds that are either open-end or closed-end investment companies as well as ETFs. ETFs are investment companies that are bought and sold on a national securities exchange. Unlike mutual funds,

ETFs do not necessarily trade at the net asset values of their underlying securities, which mean an ETF could potentially trade above or below the value of the underlying portfolios. Additionally, because ETFs trade like stocks on exchanges, they are subject to trading and commission costs unlike mutual funds. Also, both mutual funds and ETFs have management fees that are part of their costs.

Growth Style Investment Risk – Growth investments can perform differently from the market as a whole and from other types of investments. While growth investments may react differently to issuer, political, market and economic developments than the market as a whole and other types of investments by rising in price in certain environments, growth investments also tend to be sensitive to changes in the earnings of their underlying companies and more volatile than other types of stocks, particularly over the short term.

Value Style Investment Risk - Value investments can perform differently from the market as a whole and from other types of stocks. Value investments may be purchased based upon the belief that a given security may be out of favor; that belief may be misplaced or the security may stay out of favor for an extended period of time.

Medium-Sized Companies Risk - Medium-sized companies may be more vulnerable to adverse business or economic events than stocks of larger companies. Investing in securities of medium-sized companies involves greater risk than investing in larger, more established companies because they can be subject to more abrupt or erratic share price changes than larger, more established companies.

Smaller Company Securities Risk - Securities of companies with smaller market capitalizations tend to be more volatile and less liquid than larger company stocks. Smaller companies may have no or relatively short operating histories, or be newly public companies.

Foreign Investment Risk - Foreign securities include ADRs and similar investments, including European Depositary Receipts (“EDRs”) and GDRs. Foreign securities may be subject to more risks than U.S. domestic investments. These additional risks may potentially include lower liquidity, greater price volatility and risks related to adverse political, regulatory, market or economic developments. Foreign companies also may be subject to significantly higher levels of taxation than U.S. companies, including potentially confiscatory levels of taxation, thereby reducing the earnings potential of such foreign companies.

Emerging Markets Risk - Emerging markets may have obsolete financial systems and volatile currencies, and may be more sensitive than more mature markets to a variety of economic factors. Emerging market securities also may be less liquid than securities of more developed countries and could be difficult to sell, particularly during a market downturn.

Currency Risk - Investments in foreign securities involve exposure to fluctuations in foreign currency exchange rates. Such fluctuations may reduce the value of the Fund's investment in a foreign security.

Debt Securities Risk - Debt securities, such as notes and bonds, in which mutual funds and ETFs may invest are subject to credit risk and interest rate risk. Credit risk is the possibility that an issuer of an instrument will be unable to make interest payments or repay principal when due.

Changes in the financial strength of an issuer or changes in the credit rating of a security may affect its value. Interest rate risk is the risk that interest rates may increase, which tends to reduce the resale value of certain debt securities, including U.S. Government obligations.

U.S. Government Obligations Risk - If a government-sponsored entity is unable to meet its obligations, the performance of a mutual fund that holds securities of the entity will be adversely impacted. U.S. Government obligations are viewed as having minimal or no credit risk but are still subject to interest rate risk.

Mortgage- and Asset-Backed Securities Risk - Mortgage- and Asset-Backed securities risk includes Market Risk, Interest Rate Risk, Credit Risk, Prepayment Risk (*i.e.*, homeowners whose mortgages collateralize the securities held by certain mutual funds may be able to prepay principal due on these mortgages, which could cause such mutual funds to reinvest the proceeds at lower yields) as well as the risk that the structure of certain mortgage-backed securities may make their reaction to interest rates and other factors difficult to predict, making their prices very volatile. Under certain adverse market conditions, mortgage- and asset-backed securities may have more limited liquidity than usual.

Disciplinary Information

IPI has had three disciplinary events since our inception in 1992. Details may be found on FINRA's BrokerCheck system or the IAPD, which can be found at: www.finra.org/brokercheck or www.advisorinfo.sec.gov. You may access such information by searching for the Company name. If you have any questions regarding accessing the BrokerCheck or IAPD system, please contact us.

Other Financial Industry Activities and Affiliations

The Company is registered as a brokerage firm with the Securities and Exchange Commission, FINRA and various state regulators.

SB Value Partners, LP, is a registered investment adviser with the Securities and Exchange Commission (SEC) and various jurisdictions and affiliated with the company.

Affiliated Partnerships

The Company, or an affiliate, also acts as the General Partner for a number of affiliated Limited Partnerships. As such, the company, or an affiliate, receives compensation for these activities, as General Partner.

The General Partner of various SAB Partnerships which includes: SB Value Partners LP, of which Scott Barnes is a Limited Partner. The General Partner of SB Value Partners is Foxfield Investors, LLC, of which Scott Barnes is President.

SB Value Partners, LP, a Texas limited partnership, is the sole general partner of each of the affiliated Partnerships listed hereunder. Therefore, the General Partner manages the affairs of the Partnership. The General Partner will have full and exclusive management authority over all investment decisions, asset allocations, dispositions, distributions, and Partnership affairs generally. Each of the Partnerships has established a minimum initial investment amount, which may be waived at the General Partner's discretion.

Scott A. Barnes will be primarily responsible for the day-to-day trading and investment of the Partnership's assets.

1. SAB EQUITY PARTNERSHIP, L.P. (Moderate Equity Program)

The Partnership will have an investment objective of investing in common and preferred stocks, convertible bonds, and U.S. Government, U.S. Government Agency, corporate and municipal bonds for long-term growth. Under special conditions and with approval of the Partners, the Partnership may eventually invest in privately held businesses or form business entities itself.

2. SAB EQUITY PARTNERSHIP II, L.P. (Conservative Equity Program)

The principal long term economic goal of the Partnership is to maximize the Partnership's annual rate of gain in intrinsic business value. The Partnership has the ability to use equity and index options to enhance potential returns and partially hedge investment risk. Under special conditions and with approval of the Partners, the Partnership may eventually invest in privately held businesses or form business entities itself.

3. SAB EQUITY PARTNERSHIP III, L.P. (Growth Equity Program)

The principal investment objective of the Partnership is to seek long-term capital appreciation by investing primarily in a limited number of small and medium capitalization companies that the investment manager of the General Partner believes trade below their intrinsic value. The Partnership will attempt to maximize returns by utilizing various

options, currency, and short sale strategies. Under special conditions and with approval of the Partners, the Partnership may eventually invest in privately held businesses or form business entities itself.

4. SAB IV FINANCIAL INDUSTRIES PARTNERSHIP, L.P.

The principal investment objective of the Partnership is to maximize the Partnership's annual rate of gain in intrinsic business value by investing in a limited number of companies that engage in the finance, banking, securities, and insurance industries. The Partnership may also make investments in debt securities associated with these companies, as well as those of governments and municipalities. The Partnership may attempt to maximize returns by utilizing various option and macroeconomic strategies. Under special conditions and with approval of the Partners, the Partnership may eventually invest in privately held businesses or form business entities itself.

5. SAB VALUE OPPORTUNITIES FUND PARTNERSHIP, L.P.

The principal investment objective of the Partnership is to maximize the Partnership's annual rate of gain through a value oriented investment approach. The primary strategy for achieving this objective will be investment in a limited number (twenty or fewer) of small, medium and large capitalization common and preferred stocks. The Partnership also, may invest in government, municipal, agency and corporate debt obligations and engage in arbitrage and short-sale activities. The Partnership will use equity options to generate additional income, acquire investment positions at more attractive prices, and reduce the cost basis of selected investments.

6. SAB CAPITAL MARKETS, L.P.

The principal investment objective of the Partnership is to maximize the Partnership's annual rate of gain through the trading of municipal and corporate bonds. The primary strategy for achieving this objective will be the purchase of bonds at the "bid" and sale of bonds at the "offer" in order to profit from the spread between the "bid" and the "offer." The bonds will be held for a short period of time and typically not to maturity. The Partnership also may invest in government and agency debt obligations.

Conflict of Interest

IPI has a lease agreement with S&T Bank (located in Pennsylvania). S&T Bank's Wealth Management division includes Stewart Capital Advisors, LLC, a wholly owned subsidiary of S&T Bank, which manages and advises Stewart Capital Mid Cap mutual fund (SCMFX). This mutual fund is available in the Managed Choice and Mutual Fund wrap accounts on the Envestnet (PAM) platform. IPI does not receive any direct or indirect compensation from Stewart Capital Advisors, LLC or Stewart Capital Mid Cap mutual fund.

SB Value Partners, LP, a Registered Investment Advisor and affiliate of IPI, provides advisory services to S&T Bank's Trust Department which is part of S&T Bank's Wealth Management division. However, SB Value Partners, LP does not provide advisory services to Stewart Capital Advisors, LLC or Stewart Capital Mid Cap mutual fund and therefore does not receive any direct or indirect compensation from Stewart Capital Advisors, LLC or Stewart Capital Mid Cap mutual fund.

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

IPI has adopted a Code of Ethics for the purpose of instructing its personnel in their ethical obligations and to provide rules for their personal securities transactions. The Company and its personnel owe a duty of loyalty, fairness and good faith towards their clients, and the obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code. The Code covers a range of topics that may include: general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code, review and enforcement processes, amendments to Form ADV and supervisory procedures. The Company will provide a copy of the Code to any client or prospective client upon request.

From time to time the Company may effect securities transactions as principal with the Company's clients. The Company represents that it will not engage in any such transactions unless the Company sends each client who may be affected a written notice before the (execution or settlement) of such transaction, indicating the capacity in which the Company is acting. In addition, the Company will not complete any such transaction unless each client who may be affected consents to the Company's engaging in such transactions.

In their capacity as registered representatives, associates of the Company may receive payments from certain mutual funds distributed pursuant to a 12b-1 distribution plan or other such plans as compensation for administrative services, representing a separate financial interest. As such, a conflict of interest may exist with respect to recommendations to buy or sell securities. In all cases, transactions are effected in the best interests of the client. The Company does not permit insider trading and has implemented procedures to ensure that its policy regarding insider trading is being observed by associated persons.

From time to time, The Company may make recommendations to clients that they purchase from or sell to customers of broker/dealer. In connection, with any such transaction (referred to herein as an "agency cross transaction"). In this regard:

The Company will obtain the written consent from each client with whom it may engage in an agency cross transaction, prospectively authorizing such transaction.

The Company will disclose in writing to each client with whom it may engage in an agency cross transaction the capacity in which it will act and that in doing so, The Company may be acting in a manner that might be in conflict with its duty of loyalty and care to such client.

IPI may receive compensation as a result of acting in one or both capacities.

The Company may offer its clients an opportunity to invest in private investment partnerships or limited liability companies to which the Company or a related person is general partner. Each offeree receives a copy of the offering documents, which disclose the relationship between the Company and the investment partnership or company.

Associated persons may own an interest in or buy or sell for their accounts the same securities, which may be purchased or sold in the accounts of advisory clients. Associated persons seek to ensure that they do not personally benefit from the short-term market effects of their recommendations to clients and their personal transactions are regularly monitored. Associated persons are aware of the rules regarding material non-public information and insider trading. Associated persons may also buy or sell specific securities for their accounts based on personal investment considerations, which the Company does not deem appropriate to buy or sell for clients.

Brokerage Practices

To the extent the money managers are responsible for placing trades; such transactions will be executed through brokers selected by the money managers in their sole discretion. Pershing, LLC will clear and settle all securities and fixed income transactions executed for PAM accounts.

With and only with the Managed Choice account, the Company places orders for the execution of transactions with Pershing, LLC, and complying with Section 28(e) of the Securities Exchange Act of 1934, may pay a commission on transactions in excess of the amount of commission another broker or dealer would have charged. Fixed income transactions will be executed through IPI's Fixed Income Desk.

In all cases, the money managers have a duty of "best execution" in seeking the best price and terms for purchase or sale of Client securities, under the prevailing circumstances. Clients should be aware that the money managers will be relying on the abilities of the designated brokerage or clearing firm to provide "best execution".

Review of Accounts

Clients are kept fully informed about their portfolio activity by receiving copies of monthly/quarterly statements from Pershing, LLC and/or other custodians. In addition, the Company may prepare quarterly reports that are sent to Clients. Clients should compare the statements they receive from the Company to those provided by Pershing, LLC and/or other custodians and money managers.

Client Referrals and Other Compensation

The Company may enter into arrangements with money managers, institutions and others whereby the Company shares a portion of fees charged to clients in exchange for referral and other services. Pursuant to Rule 206 (4)-3 of the SEC Rules under the Investment Advisors Act of 1940, where cash payments are made for solicitation, the Company has in place a written agreement binding the solicitor to comply with the 1940 Act and Rules and requiring delivery to the client of (a) Part II of the Company's Form ADV and (b) a written fee sharing disclosure statement meeting the requirements of the Rule.

Custody

Neither money managers nor the Company maintains custody of Client funds or securities, nor are they authorized to hold any stock, bond or other security or investment certificate or cash that is part of the Clients' accounts. Custody of Client assets are maintained with an independent custodian, such as Pershing LLC. While money managers do not have physical custody of Client funds or securities, they do have the ability to access the Clients accounts through their ability to debit management fees from the Clients' accounts. The independent custodian sends statements directly to the Clients no less than quarterly. Clients should monitor the amount of advisory fees deducted by reviewing their account statement and should also compare these statements to any account information provided by the Company and/or money managers.

Investment Discretion

The money managers typically manage client accounts on a discretionary basis, subject to the restrictions (if any) that have been provided by Clients. The discretionary managers maintain limited power of attorney for each discretionary account. This limited authority allows the money managers to determine the securities to be bought and sold without obtaining client consent to specific transactions. Selection of investments follows the general investment parameters selected for the client as well as any specific instructions associated with each client.

The Managed Choice account (PAM platform and managed by Envestnet) is the only non-discretionary account fee based advisory account offered by IPI.

Voting Client Securities

As a provider of services, the Company does not itself vote proxies on behalf of Clients. As for the money managers, please refer to their Form ADV II for additional information regarding voting client securities.

Financial Information

The Company has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.

INVESTMENT PROFESSIONALS, INC.

Part 2B of Form ADV The Brochure Supplement

16414 San Pedro Avenue
Suite 150
San Antonio, TX 78232
www.invpro.com

February 1, 2012

Investment advisers are required to deliver to each client or prospective client a **brochure supplement** for a supervised person before or at the time that supervised person begins to provide advisory services to the client. For purposes of **brochure supplement**, a supervised person is someone:

- who formulates advice for a client and has direct client contact;
- or, makes discretionary investment decisions for the client regardless of client contact.

This **brochure supplement** provides information about the individuals who serve as Senior Officers of the Company and supplements Investment Professionals, Inc. Form ADV brochure. If you have any questions about the Form ADV brochure or this supplement, or if you would like to request additional or updated copies of either document, please contact us at 210-308-8800. The Senior Officers are:

Jay McAnelly
Robert Thompson
Richard R. Dullnig
Dan Rodriguez
Rozanne McManus

Additional information about individuals listed above who are registered as Investment Advisor Representatives is available on the SEC's website at www.adviserinfo.sec.gov.

Jay McAnelly

Educational Background and Business Experience

Mr. McAnelly (born 1972) joined IPI in 1997. Mr. McAnelly is the President and CEO of Investment Professionals, Inc. He was IPI's National Sales Manager from 2004-2010 and an IPI financial advisor from 1997-2004. Prior to joining IPI, Mr. McAnelly was a financial advisor with Principal Financial Group from 1994-1996. He earned a B.B.A. in Finance from the University of North Texas in 1994.

Disciplinary Information

Mr. McAnelly has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. McAnelly or of IPI.

Other Business Activities

Mr. McAnelly is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of IPI.

Additional Compensation

Mr. McAnelly does not have any arrangement whereby he receives additional compensation such as sales awards or other prizes for recommending or offering certain securities to clients.

Supervision

IPI's compliance program is supervised by the Company's CCO and it includes compliance policies and procedures to prevent violations of federal securities laws. Clients should contact the CCO if they have any concerns by calling 210-308-8800.

Robert Thompson

Educational Background and Business Experience

Mr. Thompson (born 1971) joined IPI in 2007. Mr. Thompson is the National Sales Manager for IPI. Mr. Thompson was an IPI Regional Director from 2007-2009 and IPI's Director of Insurance from 2009-2011. Prior to joining IPI, Mr. Thompson was a Field Vice President at Ameriprise Financial from 1998-2007. He earned a B.B.A. in Finance from Minot State University in 1994.

Disciplinary Information

Mr. Thompson has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Thompson or of IPI.

Other Business Activities

Mr. Thompson is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of IPI.

Additional Compensation

Mr. Thompson does not have any arrangement whereby he receives additional compensation such as sales awards or other prizes for recommending or offering certain securities to clients.

Supervision

IPI's compliance program is supervised by the Company's CCO and it includes compliance policies and procedures to prevent violations of federal securities laws. Clients should contact the CCO if they have any concerns by calling 210-308-8800.

Richard R. Dullnig

Educational Background and Business Experience

Mr. Dullnig, (born 1969), joined IPI in 2008. Mr. Dullnig is the Chief Compliance Officer (CCO) for Investment Professionals, Inc and SB Value Partners, L.P. Prior to joining IPI and SB Value Partners, L.P., Mr. Dullnig was the Branch Officer Manager at H&R Block Financial Advisors from 2004-2008 and was the Operations & Compliance Manager for George E. Dullnig & Co. from 1992-2003. He earned a B.B.A in Finance from Baylor University in 1991.

Disciplinary Information

Mr. Dullnig has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Dullnig or of IPI.

Other Business Activities

Mr. Dullnig also serves as Chief Compliance Officer for SB Value Partners, L.P. and is compensated for such role.

Additional Compensation

Mr. Dullnig does not have any arrangement whereby he receives additional compensation such as sales awards or other prizes for recommending or offering certain securities to clients.

Supervision

IPI's compliance program is supervised by the Company's CCO and it includes compliance policies and procedures to prevent violations of federal securities laws. Clients should contact the CCO if they have any concerns by calling 210-308-8800.

Dan Rodriguez

Educational Background and Business Experience

Mr. Rodriguez (born 1960) joined IPI in 2004. Mr. Rodriguez is a Director of Wealth Management and oversees the PAM and PIP programs. Mr. Rodriguez was an IPI Regional Director from 2006-2009 and an IPI financial advisor from 2004-2006. Prior to joining IPI, Mr. Rodriguez was a financial advisor with IFG Network Securities, Inc. from 1993-2004. He earned a B.A. in History and Political Science from Southwest Texas State University in 1996.

Disciplinary Information

Mr. Rodriguez has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Mr. Rodriguez or of IPI.

Other Business Activities

Mr. Rodriguez is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of IPI.

Additional Compensation

Mr. Rodriguez does not have any arrangement whereby he receives additional compensation such as sales awards or other prizes for recommending or offering certain securities to clients.

Supervision

IPI's compliance program is supervised by the Company's CCO and it includes compliance policies and procedures to prevent violations of federal securities laws. Clients should contact the CCO if they have any concerns by calling 210-308-8800.

Rozanne McManus

Educational Background and Business Experience

Ms. McManus (born 1952) joined IPI in 2004. Ms. McManus is a Director of Wealth Management which oversees the PAM and PIP programs. Ms. McManus was an IPI Regional Director from 2006-2009 and an IPI financial advisor from 2004-2006. Prior to joining IPI, Ms. McManus was a financial advisor with IFG Network Securities, Inc. from 1997-2004.

Disciplinary Information

Ms. McManus has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Ms. McManus or of IPI.

Other Business Activities

Ms. McManus is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of IPI.

Additional Compensation

Ms. McManus does not have any arrangement whereby he receives additional compensation such as sales awards or other prizes for recommending or offering certain securities to clients.

Supervision

IPI's compliance program is supervised by the Company's CCO and it includes compliance policies and procedures to prevent violations of federal securities laws. Clients should contact the CCO if they have any concerns by calling 210-308-8800.