Part 2A of Form ADV: Firm *Brochure*

Item 1 Cover Page

ROMANO BROTHERS & CO.

FIRM BROCHURE
March 31, 2012

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This brochure provides information about the qualifications and business practices of Romano Brothers & Co. If you have any questions about the contents of the brochure, please contact us at (847) 866-7700 or e-mail us at info@romanobrothers.org. The information in the brochure has not been approved by the United States Securities & Exchange Commission or by any state securities authority.

Additional information about Romano Brothers also is available on the SEC's website at www.adviserinfo.sec.gov.

Romano Brothers & Co. is a registered investment advisor. This does not imply that a certain level of skill or training has been attained.

Item 2 Material Changes

There have been no material changes to the policies or practices of Romano Brothers & Co. since its last ADV annual update, dated March 31, 2011.

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Item 4 Advisory Business

Romano Brothers & Co., an S-Corporation, is a boutique investment firm that was established in 1962 and manages over $852.8 million as of March 31, 2012. The principal owners of the firm are Richard C. Romano (Founder & Chairman) and Joseph R.V. Romano (President).

We offer an investment management program as well as brokerage services. In our Investment Management Program, $531 million of client's assets are managed on a discretionary basis. On a non-discretionary basis, Romano Brothers manages $321.8 million. Our clients invest in common stock, tax exempt bonds, government securities, corporate bonds, certificates of deposit, stock options, mutual funds, exchange traded funds, unit investment trusts, and other derivative securities such as reverse convertible notes. We are generally long-term, conservative, value-oriented investment managers.

Romano Brothers offers its clients the personalized attention required to meet their specific investment needs. We assess and reassess individual income requirements, tax situations, estate planning concerns, and other issues related to investment recommendations. Based on these parameters, investment recommendations are then custom-tailored to the client's needs according to asset allocation and risk tolerance. We do have clients who request to invest or not to invest in in certain securities or class of securities to which these requests are honored by Romano Brothers (e.g. social investing).

Romano Brothers & Co. also offers financial planning services to its clients.

Item 5 Fees and Compensation

Our Fee Schedule is as follows:

Annual Asset Valuation Fee (including cash):

$100,000 to $250,000	1% subject to $1,000 minimum fee
$250,000 to $1,000,000 (standard fee schedule)	0.6 of 1% plus $1,000 base fee
Next $1,000,000 - $4,000,000	0.5 of 1%
Accounts of $5,000,000 +	by negotiation

Generally, the minimum amount of assets for a managed account is $250,000, but this is not a rigid requirement and there are exceptions. The above stated fees include all brokerage commissions. Participants may incur additional fees in the program. These fees include a postage fee of $3.75 per trade. Other fees may be charged of a de minimis nature for miscellaneous services, which are posted on our website at www.romanowealth.com.

Clients in our investment management program generally pay their fees on a quarterly basis, in arrears, by having the fee deducted from their assets. Our clients are not charged fees that are pre-paid in advance. In addition to management fees and in connection with this service, Romano Brothers may charge an asset-based, flat custodian fee in lieu of a management fee, which is negotiable.

Clients are not charged a commission on equity trades, however, a mark-up or mark-down maybe included in fixed income trading. The firm as principal does buy or sell securities from or to its clients. The broker-dealer arm of the firm does not engage in underwriting or trading equity securities. It does however, engage in trading municipal, corporate and U.S. Government Agency securities, and maintains bona fide positions subject to real market risk in owning those securities. Our policy is to mark-up or mark-down securities from the inter-dealer offering price and the investment management contract discloses this information to our clients. This policy usually yields additional compensation to the firm and might in some cases provide a potential conflict of interest. The amount of any mark-up or mark-down will be provided on request. Due to these compensation arrangements, all investments are reviewed for suitability and all fixed income trades are approved by the client.

Additional compensation may also be received by Romano Brothers in the form of 12(b)-1 fees on mutual funds, which is incidental to our business. As an alternative to mutual funds, the firm generally prefers to invest in low cost ETFs, for which we do not receive a fee.

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

Romano Brothers & Co. does not engage in any performance-based fee arrangements. All of our fees for managed accounts are asset-based and are calculated using either a tiered percentage method or a flat fee (custodial fee).

Item 7 Types of *Clients*

Romano Brothers has a very large and diverse client base. We provide investment management services to individuals, high net worth individuals, employee benefit trusts, not-for-profit endowments, private trusts, estates, and corporations. Our managed accounts generally range between $250,000 and $30 million in assets.

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

The investment philosophy of Romano Brothers & Co. is very conservative. Our fundamental objective is to preserve the investor's capital. A major part of our advisory service is to determine the most advantageous investment allocation among asset classes at any given time. Investment values and investment fashions vary inversely with each other. Consequently, major effort is expended in evaluating those asset classes that offer the most potential for gain and the least potential for loss, and the distribution of a client's assets is adjusted among the various classes accordingly. At certain times cash or equivalents are the most desirable assets. When markets become so overvalued that the risk of loss outweighs the return on short-term investments, funds are moved in that direction. Within a portfolio of securities, each security must stand on its own merit. We do not recommend securities merely for industry representation or because it is a "good name". Our analysis of securities is based on fundamentals. We seek those securities that, in our opinion, represent outstanding value based on earnings, earnings trend, assets and cash payouts in relationship to price.
The client should be aware that with any type of investment strategy deployed, there is always the risk of loss of value to the client's assets.

Each asset class has its own set of associated risks. For example, the market value of a stock can be affected by changes in that company's business performance, by general economic conditions, by investors perception of the consequences of corporate or systemic events, and by the general investment atmosphere. Likewise, the total return on fixed income investments is impacted by systemic changes in interest rates as well as the credit quality of the issuers.

Equity investments are generally made for emphasis on capital growth, but bears the risk of market volatility and loss. Fixed income investments are generally made for cash flow, but are usually less susceptible to market risk. We manage overall portfolio value primarily by adjusting the allocation to these two asset classes.

Item 9 Disciplinary Information

There has been no disciplinary action brought against Romano Brothers & Co. by any regulatory authority since its founding in 1962.

Item 10 Other Financial Industry Activities and Affiliations

Romano Brothers & Co. is also registered as a broker-dealer. In the course of providing managed account services, the firm will execute trades for clients through its broker-dealer. As an introducing broker-dealer, the firm routes all of its equity order flow to its clearing firm, First Clearing Corp. ("FCC"). First Clearing Corp. replaced Mesirow Financial Inc. as the clearing firm for Romano Brothers & Co. as of April 14, 2012.

The firm as principal does buy or sell securities from or to its clients. The broker-dealer arm of the firm does not engage in underwriting or trading equity securities. It does however, engage in trading municipal, corporate and U.S. Government Agency securities, and maintains bona fide positions subject to real market risk in owning those securities. Our policy is to mark-up or mark-down securities from the inter-dealer offering price and the investment management contract discloses this information to our clients. This policy usually yields additional compensation to the firm and might in some cases provide a potential conflict of interest. The amount of any mark-up or mark-down will be provided on request.

Additional compensation is also received by Romano Brothers in the form of 12(b)-1 fees on mutual funds, which is incidental to our business. To mitigate any conflict of interest, the firm generally invests in low cost ETFs, for which we do not receive a fee.

We do not recommend our clients to other brokers and therefore do not receive any compensation from any other source.

In addition, Romano Brothers & Co. also provides financial planning services for clients.

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

The following is a brief description of our Code of Ethics policy:

Code of Ethics - Personal Trading Policy

A. Matters to Consider Before an Employee Places a Trade

1) Whether the amount or nature of the transaction will affect the price or market for the security if it may also be traded within client accounts near the time of the employee's trade;
2) Whether the employee will benefit from purchases or sales being made for any client;
3) Whether the transaction is likely to harm any client; and
4) Whether there is an appearance or suggestion of impropriety.

B. Personal Trading Restrictions

1) Employees are required to maintain their personal securities accounts at Romano. Any exceptions require prior approval.
2) Personal accounts of the employee include all accounts for family members living within the employee's household and accounts over which the employee has authority even though the account owner does not live within the same household as the employee.
3) Any employee contemplating a trade to the contrary must consult with the CCO before conducting his or her personal trade.
4) It is the employee's responsibility to know which securities are being traded by the firm. The employee may consult with the CCO to determine whether a security is an appropriate purchase by the employee.

The firm as principal does buy or sell securities from or to its clients. The broker-dealer arm of the firm does not engage in underwriting or trading equity securities. It does however, engage in trading municipal, corporate and U.S. Government Agency securities, and maintains bona fide positions subject to real market risk in owning those securities. Our policy is to mark-up or mark-down securities from the inter-dealer offering price and the investment management contract discloses this information to our clients. This policy usually yields additional compensation to the firm and might in some cases provide a potential conflict of interest. The amount of any mark-up or mark-down will be provided on request. In addition, a copy of our Code of Ethics will be provided to any client or prospective client upon request.

On many occasions we may invest in the same securities at the same time along side our clients. We believe any conflict of interest is mitigated since when co-investing with our client we therefore have additional incentive to make prudent investment choices. Since we prefer to invest in very liquid companies with significant market capitalizations listed on public exchanges, we believe the size of our combined transactions relative to daily traded volume does not present any pricing advantages and mitigates any potential conflict of interest.

Item 12 Brokerage Practices

As stated in Item 10, Romano Brothers & Co. is registered as a "fully disclosed" broker-dealer. All equity securities orders placed in the managed accounts of Romano Brothers & Co. are transacted through the broker-dealer. First Clearing Corp. (FCC), as clearing broker, directs execution of all of the firm's trades, and performs its own internal review of best execution. FCC directs a large volume of orders to brokers on all major exchanges.

There are no soft dollar arrangements or "directed brokerage" practices at Romano Brothers & Co.

Trade Aggregation and Allocation

Romano strives to treat all clients in a fair and equitable manner over time. This is the basic principal underlying this aggregation and allocation policy.

The allocations of a particular security will be determined by Romano before the trade is placed with the broker. When practical, client trades in the same security will be bunched in a single order (a “block”) in an effort to obtain best execution at the best security price available. When employing a block trade:

A. Romano will attempt to fill client orders by day-end;
B. If the block order is not filled by day-end, the Portfolio Manager will allocate shares executed to underlying accounts on a pro rata basis, adjusted as necessary to keep client transaction costs to a minimum and in accordance with specific account guidelines;
C. If a block order is filled (full or partial fill) at several prices through multiple trades, an average price and commission will be used for all trades executed;
D. All participants receiving securities from the block trade will receive the average price; and
E. Only trades executed within the block on the single day may be combined for purposes of calculating the average price.

It is expected that this trade aggregation and allocation policy will be applied consistently. However, if application of this policy results in unfair or inequitable treatment to some or all of Romano's clients, it may deviate from this policy.

Review of Accounts

Reviews are triggered by the passage of time or by a particular securities position. If a significant event occurs in a security position owned by our clients, all accounts owning that security are reviewed. All accounts are reviewed on at least a quarterly basis. There are seven reviewers, each of whom supervises from 30 to 350 accounts. Their titles range from Portfolio Manager to Chairman. Each client account is reviewed for change in client circumstances, suitability of current investment strategy, and suitability of specific investments in the account

Each client receives a monthly statement that shows:
Purchases and/or sales of securities during the month; security movements; dividends and interest received; cash movements into and out of the account, including any associated money market mutual fund activity; opening and closing balances for current month, previous month, and current year; closing securities positions with current market value; and total account equity.

Quarterly, clients receive a report of investment performance for the previous quarter and year-to-date showing beginning and ending balances, asset allocation, asset additions/withdrawals, dollar gain/loss, percentage gain/loss, and comparison versus an appropriate index such as the S&P 500 Index or Barclays Aggregate Bond Index.

Item 14 *Client* Referrals and Other Compensation

Romano Brothers & Co. has no arrangements to compensate, either directly or indirectly, any outside party for client referrals or to anybody who may provide an economic benefit to Romano Brothers & Co. for providing investment advice or advisory services to our clients.

Item 15 *Custody*

Romano Brothers & Co. does not take receipt or have custody of client's funds or securities. Our clearing firm, First Clearing Corp., has custody of our clients assets. Our clients receive account statements from FCC and they are encouraged to carefully review these statements.

Item 16 Investment Discretion

The portfolio managers at Romano Brothers have discretionary authority to manage securities accounts on behalf of clients. When opening a new managed account, investment parameters are set, as the client explicitly indicates the investment objectives and risk tolerance of the account. This information guides the portfolio manager and provides a framework as to how the portfolio manager will invest the client's assets. In rare instances, clients do request to be informed prior to the execution of trades and Romano Brothers honors these requests. These factors may place certain limitations on the discretion of the portfolio manager.

Item 17 Voting *Client* Securities

In terms of voting client securities, clients receive balloting materials and voluntary tender offers. Balloting materials are sent directly to the client. The client, or beneficial owner, can mail the proxy card back as provided for or directed by the proxy materials, or use the control number provided to vote via internet or phones. First Clearing Corp. will notify Romano Brothers of any voluntary tender offers and Romano Brothers will communicate this to the client. The portfolio manager and the client will discuss a course of action and the portfolio manager, upon mutual agreement between the client and the portfolio manager, will vote the shares by providing direction to First Clearing Corp.

Item 18 Financial Information

Romano Brothers & Co. prides itself on its strong financial condition attained over the past 50 years. The firm maintains net capital of $765,028 as of March 31, 2012 and has a minimum regulatory requirement of $100,000 as set forth under Rule 15c3-1 of the Securities and Exchange Commission.

Item 19 Requirements for State-Registered Advisers