



## **Performance Trust Capital Partners, LLC**

500 West Madison, Suite 450  
Chicago, Illinois 60661  
(312) 521-1000  
[www.performancetrust.com](http://www.performancetrust.com)

February 3, 2012

This Brochure provides information about the qualifications and business practices of Performance Trust Capital Partners, LLC ("PTCP" or "Performance Trust"). If you have any questions about the contents of this Brochure, please contact us at (312) 521-1000 and/or [info@performancetrust.com](mailto:info@performancetrust.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.

PTCP is a dually registered broker-dealer and investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about PTCP also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2.           Material Changes**

This Brochure dated February 3, 2012 is our amended disclosure Brochure. There have been no material changes in the business of PTCP since the filing of its initial Brochure in June 2011. The format and certain required contents have changed since that time (i.e., the inclusion of PTCP's Business Continuity Plan in the Miscellaneous section), per changes in SEC requirements that are effective with this filing.

In the future, this Item will discuss only specific material changes that are made to the Brochure and will be available to clients with a summary of changes.

Currently, our Brochure may be requested by contacting David Wilding at 312-521-1115 or [info@performancetrust.com](mailto:info@performancetrust.com). Our Brochure is also available on our web site [www.performancetrust.com](http://www.performancetrust.com) free of charge.

Additional information about PTCP is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with PTCP who are registered, or are required to be registered, as investment adviser representatives of PTCP.

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#### **Item 4.           Advisory Business**

##### *Firm Description*

Performance Trust Capital Partners, LLC (“PTCP” or “Performance Trust”) is dually registered with the U.S. Securities and Exchange Commission (“SEC”) as both a broker-dealer and an investment adviser. PTCP is also a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). PTCP was formed in 2006 and is the successor to Performance Trust Capital Partners, Inc., which was formed in 1994 as Betzold Trading & Research, Inc.

PTCP or its predecessors have been registered as a broker-dealer with the SEC and a member of FINRA, formerly known as the National Association of Securities Dealers (“NASD”), since 1994. PTCP initially registered with the SEC as an investment adviser in June 2011.

##### *Principal Owners*

PTCP is a wholly-owned subsidiary of PT Financial, LLC (“PTF”). PTF is owned principally by Mr. Richard S. Berg through Gideon Management LLC and Mr. Philip M. Nussbaum through Micah 68, LLC.

##### *Investment Advisory Services*

###### *Separately Managed Accounts*

PTCP provides investment advisory services primarily to institutions through separately managed accounts (“SMAs”). PTCP focuses on quantitative research and analysis, including through fixed-income securities.

PTCP provides non-discretionary investment advisory services on a continuous and regular basis to SMAs. PTCP tailors its investment advice to the individual needs of each client. PTCP clients may impose restrictions on investment in certain securities or types of securities in writing.

###### *Bond Trust Investment Portfolio Accounting Service*

PTCP offers an investment accounting system called Bond Trust (“Bond Trust”) to financial institutions. Bond Trust is a proprietary system developed by an unaffiliated provider of financial software solutions to asset managers worldwide. PTCP has contracted with an unaffiliated, independent service to determine securities prices (“3<sup>rd</sup> Party Pricing Service”). The 3<sup>rd</sup> Party Pricing Service will normally provide current market values for the client’s investment portfolio of securities. However, PTCP may provide current market values in certain circumstances, such as when the 3<sup>rd</sup> Party Pricing Service does not provide a price; or when the prices provided by the 3<sup>rd</sup> Party Pricing Service is—in the experience of PTCP—materially disconnected from current market values. PTCP discloses to clients the source of current market value information for Bond Trust, and the client has the option to ignore prices provided by PTCP.

###### *Performance Trust University®*

PTCP sponsors and presents investment-related seminars such as Principles of Performance™ and the Advanced Course® (“Performance Trust University”). The seminars and the materials provided in conjunction with the seminars are intended to be educational in nature and to provide participants with information regarding principles of total return investing for fixed-income securities using bond math and logic. Presentations generally cover various securities sectors (e.g., bullets, callable agencies, collateralized mortgage obligations, etc.) and principles (e.g., slope, rolling the curve, yield, etc.). The information presented in the seminars are not intended as specific investment advice and do not purport to meet the investment objectives or needs of participants. Seminar participants are clients of PTCP for purposes of the seminar only and do not continue to be clients following completion of the seminar, unless the participant subsequently retains PTCP to provide other investment advisory services.

### *Assets Under Management*

As of December 31, 2011, PTCP is managing on a non-discretionary basis approximately \$176 million.

## **Item 5. Fees and Compensation**

### *Separately Managed Accounts, Institutions*

The fees for PTCP's investment advisory and management services will be based on an annual percentage of the market value of the portfolio to be managed based on the following schedule:

<u>Account Size</u>	<u>\$ Fees</u>
\$10 million - \$25 million .....	25 Basis Points (annualized and billed quarterly)
Next \$25 million.....	23 Basis Points (annualized and billed quarterly)
>\$50 million .....	20 Basis Points (annualized and billed quarterly)

SMA fees may be negotiated depending on the specific responsibilities required by the client. The specific manner in which fees are charged by PTCP is established in a client's written agreement with PTCP. PTCP will generally bill its fees on a quarterly basis. Clients may elect to be billed in advance or arrears each calendar quarter. Clients may also elect to be billed directly for fees or to authorize PTCP to directly debit fees from client accounts. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

PTCP's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to PTCP's fee, and PTCP shall not receive any portion of these commissions, fees, and costs, unless otherwise negotiated in the client agreement. Certain private investment vehicles which PTCP may recommend charge their own management fees and other expenses, which are disclosed in the fund's private placement memorandum. These fees and expenses are in addition to PTCP's fees.

### *Performance Trust University®*

PTCP typically charges a fixed fee of \$1000 per participant for Principles of Performance™, a 3-day seminar presented at various cities throughout the United States. PTCP typically charges a fixed fee of \$800 per participant for the Advanced Course®, a 3-day seminar hosted by PTCP in Chicago, Illinois. Fees are charged in advance of the seminar. In the event of cancellation by the participant, fees may be applied towards attendance at a future seminar or are refunded, less an administrative cancellation fee of \$150 (as of the date of this Brochure).

### *Bond Trust Investment Portfolio Accounting Service*

The cost the client pays for Bond Trust is based on the number of securities positions in the portfolio, regardless of size or type of securities and is not affected by the source of current market value information. Fees are paid in arrears.

#### Fee Schedule, Single Monthly Fee per Portfolio:

Tier A: Portfolio with 0 – 75 lots	\$225 a month
Tier B: Portfolio with 76-150 lots	\$250 a month

Tier C: Portfolio with 151-225 lots	\$275 a month
Tier D: Portfolio with 226-300 lots	\$300 a month
Portfolios with greater than 300 lots	Custom Pricing

Bond Trust Investment Portfolio Accounting Service may be terminated at the end of any month upon thirty days' notice in accordance with the client's written agreement with PTCP.

#### *Generally*

Fees for any particular client or account are negotiable and may be waived in certain circumstances. Fees charged may vary from client to client.

In their capacity as registered representatives of PTCP, PTCP's supervised persons may receive compensation based on the sale of securities or other investment products. This practice presents a conflict of interest in that it provides an incentive to the supervised person to recommend investment products based on the compensation received, rather than based on a client's needs. To address this conflict, the registered representative's supervisor periodically reviews sales of securities and other investment products for suitability. Clients have the option to purchase investment products that PTCP recommends through other brokers or agents that are not affiliated with PTCP.

Commissions and other compensation for the sale of investment products that PTCP recommends to clients provide the primary compensation of PTCP. PTCP does not reduce advisory fees to offset commissions or markups charged by PTCP to the same clients. See Item 12 - Brokerage Practices below for additional information about brokerage and other transaction costs.

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

PTCP does not charge any performance-based fees.

### **Item 7. Types of Clients**

PTCP provides portfolio management and brokerage services to U.S. business entities and other U.S. institutions. Clients may simultaneously receive both investment advisory services and brokerage services from PTCP.

The minimum account size for opening an institutional SMA is \$100,000,000. The minimum account size is subject to change without notice. PTCP may waive or reduce the minimum account size in its sole discretion.

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

#### *Methods of Analysis*

PTCP analyzes fixed income investment (and divestment) opportunities using two main methods: the Application of Bond Math and the Application of Bond Logic for interest rate risk, and in some cases, for credit risk. Notably absent from PTCP's primary analytical methods are both interest rate forecasting and market trend research.

The Application of Bond Math for interest rate risk analysis involves quantifying the size and timing of cash flows that various fixed income securities will or should provide across a broad range of future interest rate scenarios, from the present time through some defined future time horizon or horizons. This process includes dissecting contractual payments, embedded option exercise criteria, floating rate resets, and engineered rules of cash flow (such as those defined for Collateralized Mortgage Obligations).

The Application of Bond Logic for interest rate risk analysis involves employing experienced judgment in making assumptions about future obligor behavior and about market reactions in the event of each of the analyzed scenarios. Primary among these are the educated development of assumptions regarding mortgage prepayment rates given various prevailing interest rate incentive environments, and the deduction of appropriate assumptions about how future market participants would evaluate the bonds at the horizon dates given the securities' histories and prospects were each of the scenarios to unfold.

PTCP compares the relative interest rate risk and reward profiles of investment alternatives on the basis of total return calculations across these scenarios using the assumption development and cash flow quantification resulting from these two analytical methods.

For credit risk analysis, the same methods are applied, but the emphasis is no longer on interest rate scenarios or option behavior, but upon delinquency and default scenarios (Bond Logic) and contractual credit enhancement through subordination and structure (Bond Math).

### *Investment Strategies*

PTCP investment strategies follow directly from the results of the aforementioned analytical methods. When selecting investments from among all available options, PTCP avoids economic and market forecasting. Instead, alternatives are compared across a range of possible scenarios, and those investments (or combinations of investments) are favored which indicate a favorable imbalance between potential rewards and potential risks across the scenario set. Divestment decisions are made in the complementary way – PTCP seeks to sell those investments which now have an unfavorable imbalance between risk and reward across the scenario set.

These strategies are expected to perform well over time if the broader market is inefficient, particularly in its failure to properly quantify Bond Math or apply forward-looking Bond Logic. This inefficiency has been observed to perpetuate, especially at times when most market participants are focusing their energies on predicting which scenario is likely to occur, rather than on comparing alternatives across a broad range of scenarios.

### *Principal Risks*

We primarily recommend fixed income securities to clients. Below are some more specific risks of investing:

- **Market Risk.** The prices of securities held by an investor may rapidly and unpredictably decline in response to certain events taking place around the world, including conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and interest rate fluctuations. Investors should have a long-term perspective and be able to tolerate declines in value.
- **Management Risk.** Our investment approach may fail to produce the intended results and we cannot guarantee that we will achieve a client's investment objective.
- **Fixed Income Securities Risks.**
  - **Interest Rate Risk.** The market value of fixed income securities in which the client invests and, thus, the value of the client's account, can be expected to vary inversely with changes in interest rates. Debt securities with longer maturities are subject to potentially greater price fluctuation than obligations with shorter maturities. Fluctuations in the market value of fixed income securities subsequent to their acquisition will not affect cash income from such securities but will be reflected in your account's value.
  - **Duration Risk.** Prices of fixed income securities with longer effective maturities are more sensitive to interest rate changes than those with shorter effective maturities.
  - **Credit Risk.** The issuer of the fixed income security may not be able to make interest and principal payments when due, and the issuer may not be able to make dividend

payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation.

- **Prepayment and Extension Risk.** As interest rates decline, the issuers of fixed income securities may prepay principal earlier than scheduled. As interest rates increase, slower than expected principal payments may extend the average life of fixed income securities, locking in below-market interest rates and reducing the value of these securities. There is a greater risk that you will lose money due to prepayment and extension risks when investing in mortgage-backed securities.
- **Municipal Securities Risk.** Municipal securities rely on the creditworthiness or revenue production of their issuers or auxiliary credit enhancement features. Investments in municipal securities may be related in such a way that political, economic or business developments affecting one obligation would affect the others. Tax authorities are paying increased attention as to whether interest on municipal obligations is tax exempt, and we cannot assure you that a tax authority will not successfully challenge the exemption of a bond you hold. The ongoing issues facing the national economy are negatively impacting the economic performance of many issuers of municipal securities, and may increase the likelihood that issuers of securities in which you may invest may be unable to meet their obligations.
- **Mortgage-Related and Other Asset-Backed Securities.** Mortgage-related securities include mortgage pass-through securities, collateralized mortgage obligations (“CMOs”), commercial mortgage-backed securities, mortgage dollar rolls, CMO residuals, stripped mortgage-backed securities and other securities that directly or indirectly represent a participation in, or are secured by and payable from, mortgage loans on real property. The value of some mortgage- or asset-backed securities may be particularly sensitive to changes in prevailing interest rates. Early repayment of principal on some mortgage-related securities may expose investors to a lower rate of return upon reinvestment of principal. When interest rates rise, the value of a mortgage-related security generally will decline; however, when interest rates are declining, the value of mortgage-related securities with prepayment features may not increase as much as other fixed income securities. The rate of prepayments on underlying mortgages will affect the price and volatility of a mortgage-related security, and may shorten or extend the effective maturity of the security beyond what was anticipated at the time of purchase. If rates of prepayment on underlying mortgages are slower than expected, this will increase the effective maturity of a mortgage-related security and the volatility of the security can be expected to increase. Additionally, although mortgages and mortgage-related securities are generally supported by some form of government or private guarantee and/or insurance, there is no assurance that private guarantors or insurers will meet their obligations. The value of these securities may fluctuate in response to the market’s perception of the creditworthiness of the issuers. Asset-backed securities typically are supported by some form of credit enhancement, such as a letter of credit, surety bond, limited guaranty or senior subordination. The degree of credit enhancement varies, but generally amounts to only a fraction of the asset-backed security’s par value until exhausted. If the credit enhancement is exhausted, certificateholders may experience losses or delays in payment if the required payments of principal and interest are not made with respect to the underlying loans. The value of these securities also may change because of changes in the market’s perception of the creditworthiness of the servicing agent for the loan pool, the originator of the loans or the financial institution providing the credit enhancement. In addition, these securities also may be subject to prepayments which may shorten the securities’ weighted average life and may lower their return.

***Investing in securities involves a risk of loss that you should be prepared to bear.*** Risk refers to the possibility that you will lose money (both principal and any earnings) or fail to make money on an investment. The Adviser cannot guarantee that it will achieve a client’s investment objective.



Potential investors in any private fund recommended by PTCP should refer to the applicable fund's private placement memorandum for a description of the fund's investment objective, investment strategies, and principal risks. Investors should consider carefully the investment objectives, risks, charges, and expenses of the fund prior to investing.

#### **Item 9. Disciplinary Information**

PTCP is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of PTCP or the integrity of PTCP's management.

In our capacity as a broker-dealer, and in connection with matters unrelated to our investment advisory business, we have:

- Consented to a censure and fine in the amount of \$7,500 by FINRA pursuant to a Letter of Acceptance, Waiver, and Consent effective September 8, 2008. Without admitting or denying the allegations, PTCP consented to FINRA findings that PTCP had failed to report information regarding purchase and sale transactions effected in municipal securities to the Real-Time Transaction Reporting System ("RTRS") in the manner prescribed by Rule G-14, RTRS procedures and the RTRS Users' Manual, which require the firm to report information about such transactions within the 15 minutes of time of trade to an RTRS portal.
- Paid an administrative fine of \$10,000 on January 15, 1999 to the State of Vermont, Securities Division. PTCP initiated an application for Vermont registration upon internally becoming aware that it had failed to properly register in Vermont. After PTCP filed the application, the State of Vermont issued an order on January 7, 1999, stating its finding that PTCP had effected securities transactions and transacted business in Vermont while acting as a broker/dealer without being registered or exempt therefrom and ordering PTCP to pay the administrative fine.

#### **Item 10. Other Financial Industry Activities and Affiliations**

PTCP is registered with the SEC as a securities broker-dealer, which is PTCP's principal business activity.

Some of the officers and owners of PTCP are also owners of Performance Trust Investment Advisors, LLC ("PTIA"), an SEC-registered investment adviser.

PTCP is an affiliate of the general partner of several pooled investment vehicles (the "funds"). PTCP may recommend to clients that they become investors in the funds, which are managed by an affiliate of PTCP and for which the affiliate receives fees. PTCP acts as a placement agent for one of the funds and it and its registered representatives may receive as compensation a percentage of the amount invested with the fund or a portion of the management or performance-based fees charged by the fund. The receipt of compensation for placing clients with such fund may create an incentive for PTCP to recommend investments that are riskier or more speculative than would be the case in the absence of such compensation. PTCP will not engage in any principal transactions with the fund.

PTCP, its principals and their respective affiliates, officers and employees, including the general partners of the funds, may hold an interest in the funds as an investor ("Interests"), which Interests may be significant from time to time. PTCP, its principals, and affiliates will have various conflicts of interest arising out of their relationships with the funds, and the limited partners.

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

Pursuant to Rule 204A-1 under the Advisers Act, PTCP has adopted and enforces a written Code of Ethics (the “Code”) that sets forth standards of business conduct and fiduciary duties that must be observed by PTCP and its supervised persons in conducting our advisory business. Each of PTCP’s supervised persons is required to acknowledge receipt of and review the Code of Ethics at least annually and to report violations to the Chief Compliance Officer. Supervised persons who fail to follow the Code risk serious sanctions, up to and including dismissal.

The Code imposes certain restrictions on securities transactions of “access persons” in their personal accounts and other accounts in which they have a beneficial interest. The Code requires access persons to provide to PTCP initial and annual disclosure of all reportable securities beneficially owned by the access person. The Code also requires quarterly reporting of all transactions of reportable securities beneficially owned by the access person. To avoid any actual or potential conflicts of interest, or an abuse of a position of trust or responsibility, access persons are also required to pre-clear certain transactions, and are subject to blackout periods and restrictions on short-term trading.

PTCP will provide a copy of the Code to any client or prospective client upon request.

In addition, PTCP has adopted an Insider Trading Policy that is designed to prevent insider trading by any principal or employee and prohibits the misuse of material non-public information.

## **Item 12. Brokerage Practices**

### *Recommending Brokerage Firms for Client Transactions*

PTCP requires its advisory clients to open brokerage accounts with PTCP. The safekeeping of assets and execution are generally through other registered broker-dealers. PTCP does not select or recommend other broker-dealers.

### *Best Execution*

As a fiduciary, PTCP has an obligation to seek to obtain best execution of advisory clients’ transactions under the circumstances of the particular transaction. PTCP seeks to execute client transactions in such a manner that the client’s total cost or proceeds in each transaction is the most favorable under the circumstances. In executing securities transactions for client, PTCP seeks to obtain best execution of trades unless the client directs PTCP to use a broker selected by the client. In such cases, clients should be aware that they may not receive best execution and may pay a higher price and/or transaction and execution costs than could be obtained elsewhere.

### *Soft Dollars*

PTCP does not enter into any arrangements to accept commissions, finders’ fees, referral fees or other “soft dollar” items such as brokerage or research services in exchange for referring clients’ brokerage to a particular broker-dealer.

### *Trade Aggregation*

Purchases and sales of securities for clients may be aggregated or bunched with orders for other client accounts. Prevailing trading activity may make impossible the receipt of the same price or execution on the entire volume of securities purchased or sold. When PTCP cannot fill all orders at the same price, it may, in its discretion, average the various prices, and charge or credit accounts with the average price. Thus, the effect of the aggregation may operate on some occasions to the client’s disadvantage. In addition, under certain circumstances, not all clients will be charged.

#### *Principal and Agency Cross Transactions*

PTCP may act as agent or principal for trades executed with its advisory clients. When transacting fixed-income securities with its advisory clients, PTCP will take securities into its own inventory as a principal transaction or sell securities out of inventory to a client. PTCP's advisory agreements will disclose the manner of considering sales commissions or mark-ups. All principal transactions will require client consent. PTCP does not engage in any agency cross transactions.

### **Item 13. Review of Accounts**

#### *Separately Managed Accounts*

The Managing Director of Sales, or his designee, reviews each client's investment needs and their investment portfolio initially when the client opens an account with PTCP and thereafter, no less than quarterly. For fixed-income securities portfolios, and based on scenario analysis, the reviewer will use total return as a measurement of levels of performance. Further, comparisons are done using total return methodology as reflected in PTCP's proprietary Level Playing Field®, which is produced approximately monthly. PTCP provides clients with a report at the end of each calendar quarter. In addition, clients shall receive statements from their custodian every month during which there is activity in their account(s).

#### *Bond Trust Investment Portfolio Accounting Service*

PTCP will provide a processing and reporting environment and internal infrastructure conducive to producing accurate and correct reporting. Reports are automatically generated monthly, although clients will have continuous access to their accounts via the web-based interface.

### **Item 14. Client Referrals and Other Compensation**

PTCP acts as a placement agent for a private investment fund that is managed by an affiliate of PTCP. For acting as a placement agent, PTCP and its registered representatives will receive as compensation a percentage of the amount invested with the fund or a portion of the management or performance-based fees charged by the fund.

To address any conflicts of interest, PTCP will make full disclosure to the client of its role as placement agent at the time of entering into an agreement with the client, including a description of the arrangement and the compensation, which is further disclosed in the Private Placement Memorandum.

### **Item 15. Custody**

PTCP is deemed to have constructive custody of certain client funds and securities within the meaning of Rule 206(4)-2 under the Advisers Act based on the fact that certain of its advisory clients permit PTCP to deduct its advisory fees directly from the client's custodial account.

PTCP does not accept physical custody of client assets in our investment management programs. These assets remain in the client's custody or in the custody of the qualified custodian selected by the client. Clients should receive statements at least quarterly from the broker-dealer, bank or other qualified custodian that holds and maintains the client's investment assets. PTCP urges the client to carefully review such statements and compare such official custodial records to the account statements that PTCP may provide to the client. The client is encouraged to verify the accuracy of PTCP's fee calculation, as the custodian will not do so. PTCP's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

#### **Item 16. Investment Discretion**

PTCP does not accept discretionary authority to manage securities accounts on behalf of clients.

#### **Item 17. Voting Client Securities**

It is currently PTCP's policy not to exercise proxy voting authority over client securities. PTCP does not have authority to vote proxies for its clients on any matters regardless of whether PTCP's investment authority is discretionary or non-discretionary. Each client retains sole and absolute authority and responsibility to vote proxies at their own expense with respect to investments owned by the client. Should PTCP change its policy to vote proxies, PTCP will utilize a third party vendor.

Clients will receive their proxies or other solicitations directly from their custodian. Clients are free to contact us about a particular solicitation and our office will do our best to help them.

#### **Item 18. Financial Information**

As a registered investment adviser, PTCP is required in this Item to provide you with certain financial information or disclosures about PTCP's financial condition. PTCP has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

#### **Item 19. Requirements for State Registered Adviser**

Because PTCP is a federally registered investment adviser, this Item is not applicable.

#### **Miscellaneous**

##### **Privacy Policy**

Performance Trust Capital Partners, LLC (which, along with its affiliates, is referred to as "Performance Trust") is committed to safeguarding the personal information that you provide. This notice describes our privacy policy and how we handle and protect personal information Performance Trust collects about individuals, such as yourself, who apply for or obtain Performance Trust's products and services. At Performance Trust, your privacy is our priority.

##### **Information We Collect**

Performance Trust collects personal information about you for business purposes, such as evaluating your financial needs, processing your requests and transactions, informing you about products and services that may be of interest to you, and providing customer service. The personal information Performance Trust may collect about you includes:

- Information you provide to Performance Trust on applications and other forms (such as your name, address, social security number, occupation, assets, and income); and/or
- Information about your transactions with our affiliates, others and Performance Trust.

##### **Protecting Your Information**

Our employees have limited access to your information. They have access only when it will help you do business with Performance Trust or help Performance Trust do business with you, including helping you accomplish your financial objectives, such as providing you with a broad range of products and services. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard customer information.

### **Disclosure To Nonaffiliated Third Parties**

We may share the personal information described above for business purposes with the following companies not affiliated with Performance Trust:

- Financial service institutions (such as mutual fund companies, securities brokers, clearing brokers and banks) with whom Performance Trust have joint marketing agreements (such as agreements to market financial services or products that Performance Trust jointly offer, endorse or sponsor); or
- Companies under contract to perform services for Performance Trust or on our behalf (such as vendors providing data processing, computer software maintenance and development, transaction processing and marketing services).

Performance Trust will share personal information with non-affiliated companies only when they agree to uphold and maintain our privacy standards when handling a customer's personal information.

Also, Performance Trust may disclose personal information with non-affiliated companies and regulatory authorities as permitted by applicable law. For example, Performance Trust may disclose personal information to cooperate with regulatory authorities and law enforcement agencies and as necessary to protect our rights or property.

### **Accessing And Revising Your Personal Information**

Performance Trust endeavors to keep our customer files complete and accurate. Performance Trust will give you reasonable access to the information we have about you. Most of this information is contained in account statements that you receive from Performance Trust and applications that you submit to obtain our products and services. Performance Trust encourages you to review this information and notify Performance Trust if you believe any information should be corrected or updated. If you have a question or concern about your personal information or this privacy notice, please contact your Performance Trust representative.

### **Business Continuity Plan Summary Notice**

Performance Trust Capital Partners, LLC (which, along with its affiliates, is referred to as “Performance Trust”) has developed a Business Continuity Plan on how we will respond to events that significantly disrupt our business. Since the timing and impact of disasters and disruptions is unpredictable, we will have to be flexible in responding to actual events as they occur. With that in mind, we are providing you with this information on our Business Continuity Plan.

**Contacting Us** – If after a significant business disruption you cannot contact us as you usually do at 312-521-1000, you should call our alternative number at 888-282-3220 or go to our website at [www.performancetrust.com](http://www.performancetrust.com). If you cannot access us through either of those means, you should contact our clearing firm, Pershing at One Pershing Plaza, Jersey City, NJ 07399, 800-443-4342, [www.pershing.com](http://www.pershing.com).

**Our Business Continuity Plan** – We plan to quickly recover and resume business operations after a significant business disruption and respond by safeguarding our employees and property, making a financial and operational assessment, protecting Performance Trust’s books and records, and allowing our customers to transact business. In short, our Business Continuity Plan is designed to permit Performance Trust to resume operations as quickly as possible, given the scope and severity of the significant business disruption.

Our Business Continuity Plan addresses: data backup and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees, and

regulators; alternate physical location of employees; critical supplier, contractor, bank and counter-party impact; regulatory reporting; and assuring our customers prompt access to their funds and securities if we are unable to continue our business.

Our clearing firm, Pershing, backs up our important records in a geographically separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, we have been advised by our clearing firm that its objective is to restore its own operations and be able to complete existing transactions and accept new transactions and payments within a recovery period of four hours and a resumption time of four hours. Your orders and requests for funds and securities could be delayed during this period.

**Varying Disruptions** – Significant business disruptions can vary in their scope, such as only Performance Trust, a single building housing our firm, the business district where our firm is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only Performance Trust or a building housing Performance Trust, we will transfer our operations to a local site when needed and expect to recover and resume business within four hours or sooner. In a disruption affecting our business district, city, or region, we will transfer our operations to a site outside of the affected area, and recover and resume business within four hours or sooner. In either situation, we plan to continue in business, transfer operations to our clearing firm if necessary, and notify you through our website [www.performancetrust.com](http://www.performancetrust.com) or our customer emergency number, 312-521-1000, on how to contact us. If the significant business disruption is so severe that it prevents us from remaining in business, we will assure our customer's prompt access to their funds and securities.

Other Key Service Providers –

*Clearing Firm:* Pershing LLC, 800-443-4342, [www.pershing.com](http://www.pershing.com).

*Records Retention:* Smarsh, Inc., 866.762.7741

For more information – If you have questions about our Business Continuity Plan, you can contact your Performance Trust representative.



## **BROCHURE SUPPLEMENT (Part 2B of FORM ADV)**

### **Education and Business Standards**

Performance Trust Capital Partners, LLC ("PTCP") requires that investment advisors in its employment have a bachelor's degree, including further coursework demonstrating knowledge of financial investment. Examples of acceptable coursework include: an MBA, a CFA, a CHFC, a CFP, JD or CPA. Additionally, investment advisors must have work experience that demonstrates their aptitude for investment management.

### **Professional Certifications**

Employees have earned certifications and credentials that are required to be explained in further detail.

Chartered Financial Analyst (CFA): Chartered Financial Analysts are licensed by the CFA Institute to use the CFA mark. CFA certification requirements:

- Hold a bachelor's degree from an accredited institution or have equivalent education or work experience.
- Successful completion of all three exam levels of the CFA Program.
- Have 48 months of acceptable professional work experience in the investment decision-making process.
- Fulfill society requirements, which vary by society. Unless you are upgrading from affiliate membership, all societies require two sponsor statements as part of each application; these are submitted online by your sponsors.
- Agree to adhere to and sign the Member's Agreement, a Professional Conduct Statement, and any additional documentation requested by CFA Institute.

Certified Public Accountant (CPA): Certified Public Accountants are licensed by the National Association of State Boards of Accountancy, Inc. (NASBA) to use the CPA mark. CPA certification requirements:

- Bachelor's degree from an accredited college or university, which includes a minimum number of qualifying credit hours in accounting and business administration with an additional 1 year study. After August 1, 2009, this requirement for 5 years study is the "150 hour rule" set by the NASBA and has been adopted by the majority of state boards; prior to August 1, 2009, 120 hours plus 2 years of work experience was the requirement.
- Successful completion of the Uniform Certified Public Accountant Examination which is set by the American Institute of Certified Public Accountants and administered by the NASBA.
- Additional state education and experience requirements, depending on the state.
- Most states require a special examination on ethics.
- Continuing professional education, which varies by states, but most require 120 hours of CPE every 3 years with a minimum of 20 hours per calendar year.



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## David (“Robbie”) R. Howland

### Item 1 - Cover Page

Supervised Person’s name and address:

David R. Howland  
Performance Trust Capital Partners, LLC  
500 West Madison, Suite 450, Chicago, Illinois 60661

Tel: 312.521.1412

Fax: 312.521.1512

**The date of this brochure supplement is Feb 3, 2012.**

**This Brochure Supplement provides information about David R. Howland that supplements the Performance Trust Capital Partners, LLC (“PTCP”) Brochure. You should have received a copy of that Brochure. Please contact [info@performancetrust.com](mailto:info@performancetrust.com) if you did not receive PTCP’s Brochure or if you have any questions about the contents of this supplement.**

### Item 2 - Educational Background and Business Experience

Mr. Howland, born in 1968, joined PTCP in November 2005. Prior to joining PTCP, he worked briefly for Countrywide Securities Corporation as a Director from 2004 to 2005. From February 1995 to September 2004, Mr. Howland was with Betzold Research & Trading, Inc. which was the predecessor to PTCP. Mr. Howland began his career as a sales representative with Nike Securities, LP in 1991. He graduated with a BA in Communications from Taylor University in May 1990 and received an MBA from Kellogg School of Management in 2002. He is Series 7, 24, 65 and 63 registered.

### Item 3 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

### Item 4 - Other Business Activities

Not applicable.

### Item 5 - Additional Compensation

Not applicable.

### Item 6 - Supervision

As an investment advisor of PTCP, Mr. Howard is supervised by Sales Manager of PTCP, Paul Kangas. Mr. Kangas can be reached at (312) 521-1486 ([pkangas@performancetrust.com](mailto:pkangas@performancetrust.com)).



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## Mina Yang

### Item 1 - Cover Page

Supervised Person's name and address:

Mina Yang  
Performance Trust Capital Partners, LLC  
500 West Madison, Suite 450, Chicago, Illinois 60661

Tel: 312.521.1449

Fax: 312.521.1549

**The date of this brochure supplement is July 20, 2011.**

**This Brochure Supplement provides information about Mina Yang that supplements the Performance Trust Capital Partners, LLC ("PTCP") Brochure. You should have received a copy of that Brochure. Please contact [info@performancetrust.com](mailto:info@performancetrust.com) if you did not receive PTCP's Brochure or if you have any questions about the contents of this supplement.**

### Item 2 - Educational Background and Business Experience

Ms. Yang, born in 1981, joined PTCP and its affiliated firm, Performance Trust Investment Advisors, LLC ("PTIA") in July 2004. She works with institutional and advisory clients in developing risk/reward profiles on fixed income securities. Her primary roles include providing individual client consultation, implementing tactical Look-Forward® strategies, and presenting training programs for portfolio managers. Prior to joining PTCP and PTIA, Ms. Yang began her career with Fifth Third Bancorp. She graduated in December 2003 with a BA in Economics from University of Michigan and is Series 7, and 66 registered.

### Item 3 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

### Item 4 - Other Business Activities

Not applicable.

### Item 5 - Additional Compensation

Not applicable.

### Item 6 - Supervision

As an investment advisor of PTCP, Ms. Yang is supervised by Sales Manager of PTCP, Paul Kangas. Mr. Kangas can be reached at (312) 521-1486 ([pkangas@performancetrust.com](mailto:pkangas@performancetrust.com)).