

Firm Brochure
(Part 2A of Form ADV)

Schuylkill Capital Management, LLC
1629 Locust Street,
Philadelphia, PA 19103
215-735-0299
howard@schuylkillcap.com
www.schuylkillcap.com

This brochure provides information about the qualifications and business practices of Schuylkill Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at 215-735-0299 or howard@schuylkillcap.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Schuylkill Capital Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

March 2, 2012

Item 2. Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually when material changes occur subsequent to the previous release of the Firm Brochure. This section discusses only material changes since the last annual update of the Firm Brochure. The previous annual update to the Firm Brochure was distributed in March 2011.

Material Changes since the Last Update

The U. S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies mandatory sections and organization. The Firm Brochure has been updated to meet those requirements.

Full Brochure Available

Whenever you would like to receive a complete copy of SCM’s Firm Brochure, please contact us by telephone at 215-735-0299 or by email at Howard@schuylkillcap.com.

Item 3. Table of Contents

Item 1. Cover Page	i
Item 2. Material Changes	ii
Annual Update	ii
Material Changes since the Last Update	ii
Full Brochure Available	ii
Item 3. Table of Contents	iii
Item 4. Advisory Business	1
Firm Description	1
Principal Owners	1
Types of Advisory Services	2
Tailored Relationships	2
Wrap Fee Programs	2
Assets Under Management	2
Types of Agreements	2
Investment Advisory Agreement – Non-Discretionary	2
Retainer Agreement	3
Investment Advisory Agreement - Discretionary	3
Hourly Research and Analysis Engagements	4
Asset Management	4
Item 5. Fees and Compensation	4
Description	4
Fee Billing	4
Other Fees and Expenses	5
Past Due Accounts and Termination of Agreement	5
Compensation for Sale of Securities or Other Investment Products	5
Item 6. Performance-Based Fees and Side-by-Side Management	6
Sharing of Capital Gains	6
Item 7. Types of Clients	6
Description	6
Account Minimums	6
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss	7
Methods of Analysis	7
Investment Strategies	7
Risk of Loss	8
Item 9. Disciplinary Information	9
Legal and Disciplinary	9

Item 10. Other Financial Industry Activities and Affiliations	9
Financial Industry Activities	9
Broker-Dealer Registration	9
Futures Commodities Registrations	9
Affiliations, Material Relationships or Arrangements	10
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	10
Code of Ethics	10
Related Party Investments	10
Participation or Interest in Client Transactions	10
Personal Trading	10
Item 12. Brokerage Practices	11
Selecting Brokerage Firms	11
Best Execution	11
Research and Other Soft Dollar Benefits	11
Brokerage for Client Referrals	11
Directed Brokerage	11
Order Aggregation	11
Item 13. Review of Accounts	12
Periodic Reviews	12
Review Triggers	12
Regular Reports	12
Item 14. Client Referrals and Other Compensation	12
Incoming Referrals	12
Referrals Out	13
Other Compensation	13
Item 15. Custody	13
Account Statements	13
Performance Reports	13
Item 16. Investment Discretion	13
Non-Discretionary Authority for Trading	13
Discretionary Authority for Trading	13
Limited Power of Attorney	14
Item 17. Voting Client Securities	14
Proxy Votes	14
Item 18. Financial Information	14
Financial Condition	14

Business Continuity Plan	15
General.....	15
Disasters.....	15
Alternate Offices.....	15
Loss of Key Personnel	15
Information Security Program	15
Privacy Notice.....	15
Education and Business Standards.....	16
Management Personnel Resumes	16
James W. Lewis – Chairman	16
Howard A. Trauger – President	17
Item 19. Requirements for State-Registered Advisers	17

Item 4. Advisory Business

Firm Description

Schuykill Capital Management, LLC (“SCM” or the “Firm”) was founded in 1990. SCM provides investment advisory services to a select group of individuals, pension and profit sharing plans, trusts, estates and charitable organizations. Advice is provided through consultations with the client and may include determination of investment objectives; identification of financial problems; tax planning; insurance review; education funding; and estate planning. However, SCM’s primary charge is to provide a conservative approach to the investment and management of its valued clients’ assets.

SCM provides investment advisory services on a fee-only basis. SCM does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products and is not affiliated with entities that sell financial products or securities. No commissions in any form or manner are accepted when the Firm is functioning as an investment advisor.

Investment advice is an integral and fundamental part of the services SCM provides to its clients. Except in account relationships where a client gives SCM the authority to trade on his or her behalf, investment advice is provided with the client making the final decision on investment selection. SCM does not act as a custodian of client assets. The client always maintains asset control. SCM places trades for clients under a limited power of attorney.

A written evaluation of each client’s situation is provided to the client, often in the form of a short-term and long-term Goals and Objectives Statement. Periodic reviews are also communicated to provide reminders of specific courses of action that need to be taken. More frequent reviews occur as market developments warrant and affect short-term and long-term investment considerations but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur. The initial meeting, which may be by telephone, is free of charge and is considered an exploratory interview to determine the extent to which investment advisory services may be beneficial to the client.

Principal Owners

Howard A. Trauger and Shirley A. Trauger, collectively, are 50.1% equity owners of SCM. James W. Lewis is the only other equity owner of SCM.

Types of Advisory Services

SCM provides investment supervisory services, also known as asset management services. SCM manages investment advisory accounts not involving supervisory services and furnishes investment advice through consultations. By making use of standard research information on the economy, stock and bond markets and individual company reports, SCM evaluates client holdings and makes recommendations to clients. On more than an occasional basis, SCM furnishes advice to clients not involving securities, such as trust services and general financial planning.

Tailored Relationships

The goals and investment objectives for each client are documented in that client's Investment Advisory Agreement and Goals & Objectives Outline. Investment policy statements are created that reflect the stated short-term and long-term goals and objectives of clients. Clients may impose restrictions on investing in certain securities or types of securities.

Investment Advisory Agreements may not be assigned without client consent.

Wrap Fee Programs

SCM does not participate in wrap fee programs.

Assets Under Management

As of December 31, 2011, SCM actively managed approximately \$45,342,872 in assets for approximately 60 client relationships. Approximately \$14,745,875 was managed on a discretionary basis and \$30,596,997 was managed on a non-discretionary basis.

Types of Agreements

The following agreements define the typical client relationships.

Investment Advisory Agreement – Non-Discretionary

Most clients choose to have SCM manage their assets in order to obtain ongoing advice and life style change planning. All pertinent aspects of the client's financial affairs are reviewed and discussed with the appropriate parties in interest. Reasonable and realistic goals are defined with the intent to obtain measurable results in keeping with each client's understanding of the risk associated with investment in securities. Over time, goals and objectives are changed to reflect life style changes that occur. Suggestions and recommendations are provided to each client and these recommendations are promptly implemented to ensure the investment management process follows the program.

The scope of work and fee for investment advisory services is incorporated in an Investment Advisory Agreement and provided to the client in writing prior to the start of

the relationship. An Investment Advisory Agreement may include insurance review, general financial planning, retirement planning, and estate planning, as well as the implementation of recommendations within each area.

The standard annual Investment Advisory Agreement fee for initial asset management is based on a percentage of the investable assets according to the following schedule:

- 1.00% on the first \$1,000,000;
- 0.80% on the next \$1,500,000 (from \$1,000,001 to \$2,500,000); and
- 0.60% on the assets above \$2,500,000.

The minimum annual fee is \$600. Subject to a review and discussion, the annual fee is negotiable. Current client relationships may exist where the fees are higher or lower than the fee schedule above.

Although the Investment Advisory Agreement is an ongoing agreement and constant adjustments are required, the length of service to the client is at the client's discretion. The client and the investment manager may terminate the Agreement by written notice to the other party. At termination, fees will be billed on a pro rata basis for the portion of the time period completed. The portfolio value at the completion of the prior full billing period is used as the basis for fee computation, adjusted for the number of days during the billing period prior to termination. Tax preparation work is not included in the services SCM provides to its clients.

Retainer Agreement

In some circumstances, a Retainer Agreement is executed in lieu of an Investment Advisory Agreement when it is more appropriate to work on a fixed-fee hourly basis. The fee for an assignment that would be governed by a Retainer Agreement is negotiable.

Investment Advisory Agreement - Discretionary

An Investment Advisory Agreement – Discretionary may be executed when advisory services are provided to a pension or profit sharing plan.

The standard annual Investment Advisory Agreement – Discretionary fee for initial asset management is based on a percentage of the investable assets according to the following schedule:

- 1.00% on the first \$1,000,000;
- 0.80% on the next \$1,500,000 (from \$1,000,001 to \$2,500,000); and
- 0.60% on the assets above \$2,500,000.

The minimum annual fee is \$600. Subject to a review and discussion, the annual fee is negotiable. Current client relationships may exist where the fees are higher or lower than the fee schedule above.

Hourly Research and Analysis Engagements

SCM provides portfolio research and analysis services for clients who need advice on a limited scope of work. The hourly rate for limited scope engagements is \$150-\$200.

Asset Management

SCM enjoys managing balanced accounts for clients whose underlying emphasis is fixed income oriented and who believe that bonds offer stability and dependability of income. The style that best defines SCM's emphasis, its primary investment style, is large-cap value. SCM invests in companies it believes to be financially strong and industry or niche leaders or that otherwise possess secure product or service franchises in attractive areas of the economy. To find value among such companies, SCM's primary valuation tool is discounted future cash flow calculated for a universe of some 1,500 high investment grade companies. Beyond this, SCM employs return on investment to confirm company stature among its peers and price-to-book to confirm value.

Because SCM's approach to equity investment selection is driven by fundamental analysis of individual companies, in large measure, SCM identifies attractive securities in the strongest industry sectors. History has demonstrated the folly of paying for earnings that are inconsistent or unsustainable. Hence, SCM's investment process does not overlook historic averages and economic forecasts.

Item 5. Fees and Compensation

Description

SCM bases its annual fees on a percentage of assets under management. Some account and/or portfolio analysis and research may be based on an hourly scale, the complexity of the work involved, and the client relationship. As previously mentioned, some Retainer Agreements and Hourly Research and Analysis Engagements may be priced on the complexity of the work involved, especially when asset management is not the most significant part of the relationship. All fees are negotiable.

For more information regarding fees and fee schedules, see "Types of Agreements" above.

Fee Billing

Depending on the amount of assets under management, investment advisory fees are billed quarterly or monthly. Accounts with assets above \$1,000,000 are generally billed

on a monthly basis and those accounts whose assets are below \$1,000,000 are billed quarterly.

All account billings are in arrears, meaning that SCM invoices clients after the applicable billing period has ended. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of his or her account. No client fees are paid in advance.

Other Fees and Expenses

Some custodians charge transaction fees on purchases or sales of certain mutual funds and exchange, or for safekeeping and reporting on assets. Transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee the custodian charges to buy or sell the security. For more information on custodians, see “Brokerage Practices” below.

If SCM’s clients invest in mutual funds, clients will pay a management fee as well as other general administrative charges to the mutual fund. Those fees are in addition to the fees paid by a client to SCM.

SCM, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based on certain criteria (e.g., historical relationship, type of assets, tax cost of legacy holdings, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Past Due Accounts and Termination of Agreement

SCM reserves the right to stop work on any account that is more than 60 days overdue. In addition, SCM reserves the right to terminate any account where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in SCM’s judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 30 days.

Compensation for Sale of Securities or Other Investment Products

SCM does not accept compensation for the sale of securities or other investment products.

Item 6. Performance-Based Fees and Side-by-Side Management

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities in providing investment management advisory services.

SCM does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the advisor to recommend an investment that may carry a higher degree of risk to the client.

Item 7. Types of Clients

Description

SCM generally provides investment advisory services to individuals, pension and profit sharing plans, trusts, estates, or charitable organizations, corporation or other business entities. Client relationships vary in scope and length of service.

Account Minimums

The minimum account size is \$60,000 of assets under management, which equates to an annual fee of \$600. If an account falls below \$60,000 in value, the minimum annual fee of \$600 may be charged. Depending on circumstances, SCM will sign an Hourly Research and Analysis Agreement with the client if assets have diminished significantly below \$60,000.

SCM has the discretion to waive the account minimum. Accounts of less than \$60,000 may be set up when the client and advisor anticipate the client will add additional funds to the account relationship to bring the total to \$60,000 within a reasonable time. Other exceptions apply to employees of SCM and their relatives, or relatives of existing clients.

Clients receiving ongoing asset management services will be assessed a \$600 minimum annual fee. Clients with assets below the minimum account size may pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management.

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

Methods of Analysis

Security analysis methods include fundamental analysis, cyclical analysis, and technical analysis.

The main sources of information include financial newspapers and magazines; inspections of corporate activities; research materials prepared by others; discussions with research analysis considered by SCM to be knowledgeable; corporate rating services; annual reports; prospectuses; filings with the Securities and Exchange Commission; and company press releases.

Other sources of information that SCM may use include Morningstar Principia Stock Research, Bloomberg, Brokerage Research services and the World Wide Web.

Investment Strategies

SCM is a traditional bottom-up stock-picking manager. The investment process begins with a screen of high investment quality, predominantly large cap, equities to identify stocks trading at reasonable valuations. SCM invests in companies it believes to be financially strong and that are either industry or niche leaders or that otherwise possess secure product or service franchises in attractive areas of the economy. To find value among such companies, SCM's primary valuation tool is discounted cash flow calculated for a universe of some 1500 high investment grade companies. Beyond this, SCM employs return on investment to confirm company stature among its peers and price to book to confirm value.

To manage portfolio risk, initial individual positions range from 2% to 5% of the total value of the initial equity position of the portfolio. Holdings are continuously examined to assure that relative and absolute valuations remain satisfactory to SCM's investment committee standards. Sector allocation is in large part determined by where value is defined by price because SCM's approach to equity investment selection is driven by analysis of individual companies. SCM believes that the price of a security is reflected in its ability to sustain its earnings and investor's decisions ultimately acknowledge prospects for future valuations. However, history has demonstrated the folly of paying for earnings that are inconsistent or unsustainable. For this reason, SCM's investment process incorporates historic averages and economic forecasts in making sector commitments. Percentage allocations to industry sectors are carefully monitored to maintain an investment list representation that is consistent with long-term trends for the S&P 500 and Russell 1000 Indices. Regardless of SCM's management of portfolio risk, clients should be aware that any investment in securities involves the risk of loss that clients should be prepared to bear.

As a value manager, SCM benchmarks its performance to that of the S&P 500® Index and Russell 1000® Value Index. The objective is to keep overall portfolio returns between the returns of these two indices over the long-term with lower volatility. This objective reflects SCM's belief that from time to time both the Russell 1000 and S&P 500 indices are distorted by runaway performance in one sector or another. SCM avoids these excesses, in particular, by leaning toward the S&P 500 sector weights when SCM believes that the Russell 1000 weights are historically excessive. The result is an SCM investment list broadly diversified by industry sector.

Risk of Loss

All investment programs have certain risks that are borne by the investor. SCM's investment approach keeps risk of loss of principal as its first and primary objective and SCM continually strives to reduce risk in keeping with its clients' short-term and long-term goals. Generally, investors face the following investment risks:

- *Interest Rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on previously-issued fixed income securities (such as bonds, notes, certificates of deposit, and preferred stock) become less attractive to other like investments. As a result, fixed income securities decline in value.
- *Market Risk:* The price of a security, common stock, preferred stock, bond, note or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, geo-political, economic and social conditions and disasters may trigger market events.
- *Inflation Risk:* When any type of inflation is present, a dollar today will not buy as much as a dollar next year because purchasing power is diminished by the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate or discount rate). This primarily relates to fixed income securities.
- *Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, drug manufacturing companies depend on basic and specific pharmaceutical research to discover new applications for medical diagnoses. Long periods of testing for efficacy and safety are generally required before any new drug can gain approval from the FDA for public use. This is a long and costly

process, the result of which may or may not gain approval for the drug and its ability to recoup the capital necessary to continue to generate revenues. Securities of drug companies, in general, carry a higher risk of profitability than a water company, which generates income for a steady stream of customers in any economic cycle.

- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in trading a uniform product. For example, treasury bills are highly liquid. The Brooklyn Bridge is not.
- *Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of profitability because the company must meet the terms of its obligations (pay its interest on debt) in good times and bad. During periods of financial stress or geo-political unrest, a company's inability to meet loan obligations may reduce the market value of its securities or lead to bankruptcy.

Item 9. Disciplinary Information

Legal and Disciplinary

Neither SCM nor any of its principal owners or management persons has any outstanding disciplinary violations or material legal or disciplinary events in the last 10 years.

Item 10. Other Financial Industry Activities and Affiliations

Financial Industry Activities

SCM does not engage in other financial industry related activities, outside of those activities previously described that relate directly to providing investment advisory services to clients.

Broker-Dealer Registration

Neither SCM nor any of its management persons is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Futures Commodities Registrations

Neither SCM nor any of its management persons is registered, or has an application pending to register, as a futures commission merchant, a commodity pool operator, a commodity trading advisor, or an association person of the foregoing entities.

Affiliations, Material Relationships or Arrangements

SCM may from time-to-time enter into arrangements that are material to its advisory or its clients. These arrangements are fully disclosed to SCM's clients prior to the engagement. An example of such an arrangement would be with another advisory firm, marketing consultant or pension consultant where SCM's services are unique and requested by the client. These arrangements, where applicable, are documented in the form of a Solicitation Agreement with the related person who as mentioned could be another investment advisor, a financial planning firm, an accounting firm, a law firm or a pension consultant. SCM does not, directly or indirectly, accept compensation from these arrangements. SCM does not believe any of these relationships creates a material conflict of interest with clients.

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

Code of Ethics

SCM is committed to conducting its business in an ethical manner. Clients and prospective clients may contact SCM for more information on its ethics policies.

Related Party Investments

SCM does not recommend to clients securities in which SCM, its principals or related persons have a material financial interest.

Participation or Interest in Client Transactions

SCM and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades for a period of 10 days prior thereto.

Personal Trading

The Chief Compliance Officer of SCM is Mr. Howard A. Trauger. Mr. Trauger reviews all employee trades each quarter. His trades are reviewed by Gene Kovacs, the Office Administrator. These personal trading reviews ensure that the personal trading of employees does not affect the markets and that clients of the firm receive preferential treatment over that of the employees. Since most employee trades are either small mutual fund trades, small common stock trades, or exchange-traded fund trades, the trades do not affect the securities markets.

Item 12. Brokerage Practices

Selecting Brokerage Firms

SCM does not have any business affiliations with specific brokerage firms. Custodian recommendations are made to clients based on their need for such services. SCM recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

When appropriate, SCM recommends discount brokerage firms and trust companies (qualified custodians), such as Fidelity Investments, TD Ameritrade, and the Vanguard Group.

Best Execution

By selecting only top-tier custodians and brokerage firms who are scrutinized by government agencies, SCM can rely on the best execution practices utilized by each of the custodians. SCM does not receive any portion of the trading fees that may be charged to a client by a particular custodian.

Research and Other Soft Dollar Benefits

SCM receives no soft dollar credits from any of the custodians that are recommended to clients. Soft dollar credits, or the provision of valued services for free (such as securities research, subscriptions, etc.) by a larger investment or custodial firm, have been determined to be influential and possibly not in the best interests of clients.

Brokerage for Client Referrals

SCM does not consider, when selecting or recommending broker-dealers, whether SCM or a related person receives client referrals from such broker-dealer or third parties.

Directed Brokerage

SCM does not routinely recommend, request or require that clients direct it to execute transactions through a specified broker-dealer.

Order Aggregation

From time to time, where appropriate either to buy or sell securities, SCM will aggregate trading orders. By combining several orders into one trade and allocating the final disposition over many accounts, SCM increases its opportunity to gain volume discounts and best execution favor.

Item 13. Review of Accounts

Periodic Reviews

Account reviews are performed at least annually by Howard A. Trauger, President of SCM, and more frequently as market conditions warrant. An account review consists of an analysis of current portfolio positions and valuations relative to a client's agreed upon short-term and long-term goals and objectives. In essence, during each review, SCM articulates its past recommendations, observes the current results of those recommendations and suggests appropriate changes to preserve principal valuations and to improve prospects for meeting the client's short-term and long-term goals.

Review Triggers

Conditions that may trigger a review are changes in the tax law, new investment information, and changes in a client's own condition that may lead to a client request for review.

Regular Reports

In most cases, SCM arranges for the custodian to provide written monthly investment summaries of client statements directly to the client with a duplicate to SCM. In cases where the custodian only provides quarterly statements, SCM generates its own month-end statements. SCM considers the client's current security positions and the likelihood that the performance of each security will contribute to the income or appreciation objectives of the client.

Clients receive periodic communications on at least an annual basis. Formal reviews are provided in writing, in person, or by phone or email with available statements on a quarterly basis. During these reviews, tax status changes, personal lifestyle changes, and other pertinent considerations are discussed to determine the effectiveness of any given investment program in meeting the short-term and long-term objectives of the client relationship.

Item 14. Client Referrals and Other Compensation

Incoming Referrals

Referrals come from current clients, attorneys, accountants, employees, personal friends of employees, and other individuals and businesses. SCM does not compensate referring parties for these referrals.

Referrals Out

SCM does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

Other Compensation

SCM accepts no other forms of compensation, except those described in “Fees and Compensation” above.

Item 15. Custody

Account Statements

All assets are held at qualified custodians (such as PNC Bank, E-Trade, the Vanguard Group, and Morgan Stanley), which means the custodians provide account statements directly to clients at their address at least quarterly.

Performance Reports

Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by SCM.

Item 16. Investment Discretion

Non-Discretionary Authority for Trading

Most client relationships are governed by a non-discretionary agreement, in that the client does not grant SCM the authority to manage securities accounts on their behalf. In non-discretionary accounts, trading in a client account may only proceed after specific client consent to the securities bought or sold, the amount of the securities to be bought or sold, and the approximate date when the securities should be bought or sold. SCM consults with the client prior to a specific planned trade to obtain concurrence on a series of buys and sells.

The client approves the custodian to be used and the commission rates paid to the custodian. SCM does not receive any portion of the transactions fees or commissions paid by the client to the custodian on trades.

Discretionary Authority for Trading

Certain clients choose to grant SCM the authority to manage securities on their behalf on a discretionary basis without seeking approval for trading prior to implementation of an investment program. A discretionary agreement governs all aspects of this relationship and clients are provided monthly statements and ongoing reports that document all trades,

amounts of securities bought or sold, the timing of any trades, and values of assets involved.

The client approves the custodian to be used and the commission rates paid to the custodian. SCM does not receive any portion of the transactions fees or commissions paid by the client to the custodian on trades.

Limited Power of Attorney

A limited power of attorney is a trading authorization that is executed with a client's account custodian (for instance, the Vanguard Group, Morgan Stanley, and PNC Bank) for this purpose.

For discretionary authority for trading, the client signs a limited power of attorney so that SCM may execute trades designed to implement ongoing investment management programs that have either been pre-approved or for which consent has been granted.

Item 17. Voting Client Securities

Proxy Votes

When assistance is requested, SCM will provide recommendations to non-discretionary clients and vote proxies according to their guidance. SCM, in its normal course of business, will vote proxies for discretionary clients in keeping with the client's guidance on issues that may affect them or subject to their beliefs. If a conflict of interest exists, it will be disclosed to the client. A client may obtain a confirmation of SCM's proxy vote on its behalf directly from SCM.

Clients may contact SCM for more information on SCM's proxy voting policies and procedures.

Item 18. Financial Information

Financial Condition

SCM does not have any financial impairment that will preclude the Firm from meeting contractual commitments to its clients. A balance sheet is not required to be provided because SCM does not serve as a custodian for client funds or securities, and does not require prepayment of fees. SCM has not been the subject of a bankruptcy petition at any time.

Business Continuity Plan

General

SCM has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, and the services of key individuals.

Disasters

The Business Continuity Plan covers natural disasters, such as snow storms, hurricanes, tornados, and flooding. The plan also covers man-made disasters, such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident, and aircraft accident. Electronic files are backed up daily and archived offsite.

Alternate Offices

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is SCM's intention to contact all clients within five days of a disaster that dictates moving its office to an alternate location.

Loss of Key Personnel

SCM has a Business Continuation Agreement with the Shamrock Asset Management Group, an affiliate of SCM's minority owner, in the event of Howard A. Trauger's serious disability or death.

Information Security Program

SCM maintains an information security program to reduce the risk that clients' personal and confidential information may be breached.

Privacy Notice

SCM is committed to maintaining the confidentiality, integrity, and security of the personal and confidential information that is entrusted to it. The categories of nonpublic information that SCM collects from clients may include information about a client's personal finances, health (to the extent that it is needed for financial decision making), and transactions between the client and third parties. SCM uses this information to help clients meet stated financial goals and objectives.

With the client's permission, SCM may disclose limited information to attorneys, accountants and custodians with whom a client has established a relationship. A client may opt out from sharing information with these nonaffiliated third parties by notifying SCM at any time by mail, fax, or email. With a client's permission, SCM may share a

limited amount about a client with the client's brokerage firm in order to execute securities transactions on the client's behalf.

SCM maintains a secure office to ensure that all client information is not placed at unreasonable risk. SCM employs a standard firewall barrier, secure data encryption techniques, and authentication procedures in its computer environment.

SCM does not provide its clients' personal information to mailing list vendors or solicitors. SCM requires strict confidentiality in its agreements with unaffiliated third parties that require access to clients' personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review SCM's company records and clients' personal records as permitted by law.

Personally identifiable information about clients will be maintained while individuals or businesses are clients of SCM and for a period thereafter as required by federal and state securities laws. After that time, information may be destroyed. SCM will notify a client in advance if its Privacy Policy is expected to change. SCM is required by law to deliver this Privacy Notice to clients annually, in writing.

Education and Business Standards

SCM requires that advisors in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial analysis and portfolio management. Additionally, advisors must have work experience that demonstrates their aptitude for financial analysis and investment management.

Management Personnel Resumes

James W. Lewis – Chairman

Mr. Lewis, the Chairman of SCM and founder of Geometry Group, Inc., is a former Managing Director of Morgan Stanley, where he held senior management positions in the asset management, equity and fixed income areas for 17 years and served as Chairman of their Risk Management Committee. Mr. Lewis is a member of the University of Chicago's Advisory Council of the Graduate School of Business.

- Education:
 - Bachelor of Science – Marketing, Miami University of Ohio
 - MBA – Finance, University of Chicago
- Date of Birth: August 24, 1941
- Employment:
 - Chairman, Schuylkill Capital Management, LLC
 - Chairman, Geometry Group
 - Director, Shamrock Assets Management
 - Director, Knight Capital Group, Inc.
- Disciplinary Information: None
- Other Business Activities: Extensive

- Additional Compensation: As directed from other business activities

Howard A. Trauger – President

Mr. Trauger formed Schuylkill Capital Management, LLC in 1990 to provide conservative investment management to a select group of private clients. Prior to founding SCM, he was portfolio manager for \$120 million of personal trust assets and co-manager of \$140 million in Trust assets at PNC Bank in Philadelphia. Howard is past-president of the CFA Institute, Philadelphia Chapter; the Philadelphia Securities Association and the Bond Club of Philadelphia. He has been a member of the MBA Alumni board of Advisors and currently sits on the Oversight Committee of the Nittany Lion Fund, LLC.

- Education:
 - Bachelor of Science – Finance, Pennsylvania State University, 1969
 - MBA – Finance, Pennsylvania State University, 1979
- Date of Birth: September 1, 1946
- Employment: President, Schuylkill Capital Management, LLC (since November 1990)
- Disciplinary Information: None
- Other Business Activities: None
- Additional Compensation: None

Item 19. Requirements for State-Registered Advisers

This item is not currently applicable to SCM.