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This brochure provides information about the qualifications and business practices of United American Capital Corporation ("UACC"). If you have any questions about the contents of this brochure, please contact us at 614-885-7596. The information in this brochure has not been approved or verified by the United States Securities Exchange Commission ("SEC") or by any state securities authority.

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



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ADVISORY BUSINESS

United American Capital Corporation ("UACC") is a registered investment adviser¹ incorporated under the laws of the State of Ohio. UACC's principal office is located in the Columbus, Ohio metropolitan area in the City of Worthington.

UACC was founded in 1991 by Dennis V. Yacobozzi, who serves as the President and CEO of UACC. Mr. Yacobozzi is also the sole shareholder of UACC. Prior to founding UACC in 1991, Mr. Yacobozzi served for approximately 15 years as the Executive Director of Investments and Banking for the Treasury of the State of Ohio.

UACC is an institutional, fixed-income investment adviser that specializes in managing public entity investment portfolios. UACC's clients consist of public entities such as municipalities, counties, school districts, colleges, port authorities and other political subdivisions. Currently, all of UACC's clients are based in Ohio and California.

UACC provides institutional fixed income management and investment consulting services to its clients. UACC's institutional fixed-income management services include the following types of services:

- Money market portfolio management
- State and local government investment pools
- Intermediate and longer duration portfolio management
- Structured portfolio development
- Asset liability management of structured portfolios
- Investment of bond proceeds of tax-exempt issuers
- Public funds investment management/advisory services

UACC offers two primary investment programs to its public fund clients:

1. Investment Management Program - Direct investment management of the client portfolio in accordance with state law and the investment policy guidelines of the client. Investment decisions are made by UACC, including the execution of investment transactions, subject to such laws and guidelines. Comprehensive portfolio reporting is provided to the client.

2. Investment Management Support Program - Investment advisory and related services are provided to a public fund investment officer or investment staff. UACC provides investment recommendations to assist the client. Under this program,

¹ UACC is a federally registered investment adviser under the Investment Adviser's Act of 1940, as amended. Registration is required under applicable law, and does not imply a certain level of skill and training.



the client, not UACC, executes investment transactions. Support services include, without limitation: providing technical and market analysis, monitoring compliance with state investment laws and client investment policies, monitoring market risk factors, assisting in the development of investment policy and strategy, documenting investment decisions and providing comprehensive portfolio reporting.

Under both programs, the clients' funds and securities are held by custodian banks or safekeeping agents pursuant to separate agreements between the clients and such custodians or safekeeping agents. UACC does not hold client funds or securities. Clients receive account holdings statements directly from their custodians/safekeeping agents. Clients are strongly urged to compare those account holdings statements to any statements provided by UACC and records maintained by the clients.

As of December 31, 2011, UACC managed \$2,817,219,417 in client assets on a discretionary basis and \$0.00 in client assets on a non-discretionary basis.² UACC is also an investment adviser to a state and local government investment pool with total assets of \$3,485,776,878 (valued at cost) as of December 31, 2011.

UACC's authority for assets managed on a discretionary basis is limited by state law, which in most cases limits the type of eligible securities in which a public entity may invest, as well as the investment policies and/or guidelines adopted by the client.

FEES AND COMPENSATION

As compensation for its services, UACC charges either a fixed fee or a fee calculated at an annual rate of the average monthly assets under management.

The following is UACC's typical rate schedule when fees are based upon assets under management (for illustration purposes only):

<u>Assets under management (\$)</u>	<u>Percentage Fee</u>
0 - 25,000,000	.0025
25,000,001 - 50,000,000	.0020
50,000,001 - 75,000,000	.0015
75,000,001 - 100,000,000	.0012
100,000,000 - and above	.0010

All fees are negotiated and set forth in the written agreement between UACC and the client. Fees are generally billed monthly or quarterly and are payable in

² The value of assets are calculated using the current market value of the assets as of December 31, 2010 using the same method used by UACC to report account values to its or to calculate fees for investment advisory services.



arrears. In some cases, UACC's fee will be billed to and paid by the client's custodian from the client's assets held by such custodian. In order for UACC's fee to be paid by the client's custodian, UACC must be authorized in its agreement with the client to bill the custodian, and the custodian must be instructed in its agreement with client (or otherwise) to pay UACC's fees from the client assets. All trades executed by UACC for client accounts are on a best price and execution basis.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

UACC does not accept performance based fees (i.e. fees based on a share of capital gains on or capital appreciation of the assets of a client). For instance, UACC does not charge additional fees or increased fees if a client's investment return exceeds established benchmarks.

TYPES OF CLIENTS

As mentioned above, UACC's clients consist of public entities, government agencies, municipalities, counties, school districts, public colleges, port authorities and other political subdivisions and non-profit hospitals.

UACC clients generally must have account assets of \$2,000,000 or more under management.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

The primary objective of UACC's investment management discipline, in the following order of priority, is to preserve principal value within the context of maintaining liquidity and generating competitive yields. For that reason, investments are typically limited to U.S. Treasury and various federal agency obligations. However, as a component of its investment management discipline, UACC considers and utilizes where appropriate the following additional types of investments: repurchase agreements, commercial paper, banker's acceptances and corporate obligations. As indicated above, the types of securities to be bought or sold and the amount of such securities to be bought or sold are limited or restricted by applicable law and the written investment policy of each client.

UACC's investment management approach involves an analysis of the yield curve and yield spreads between asset classes. Generally, UACC will add eligible assets on the basis of their value along the yield curve. Value, as determined by UACC, is the potential of generating additional income or return over a defined time horizon. Such decisions to add assets are based upon current market conditions, an assessment of the future



interest rate environment, and in accordance with the investment strategy at the time the transaction(s) are executed. Appropriate benchmarks that mirror characteristics and limitations of client portfolios are used to measure performance over time. The average duration of our client portfolios is an important factor in structuring and managing our client portfolios during periods of both rising and declining interest rate environments. By understanding liquidity needs and investment policies, UACC is able to design custom investment programs with specific parameters unique to each public entity.

In general, UACC's investment management discipline utilizes a short to intermediate duration portfolio (a portfolio comprised of maturities ranging between one year and five years) of high quality, fixed-income securities. A primary objective of this particular discipline is to meet the operating needs of its clients while seeking to achieve returns in excess of typical cash equivalent investments or other short-term investment programs or products. UACC actively manages its client portfolios by regularly analyzing the asset composition of client portfolios to determine if changes in such assets will benefit earnings without undue risk to the investment program, and whether changes in portfolio assets are consistent with the current investment strategy. UACC also utilizes various proprietary methods when making decisions to purchase or sell client portfolio assets. Specific areas of analysis include the shape of the yield curve, differences in yield spreads between asset classes and asset types, and the interest rate environment.

UACC regularly reviews and analyzes portfolio construction, asset allocation, and changing market conditions. The firm additionally considers how changes in portfolio assets will impact the cash flows of the portfolio, the average duration of the portfolio, and the portfolio's investment return over time. Prior to the execution of investment transactions, UACC additionally evaluates how such trades may affect portfolio risk.

UACC receives and maintains current and historical price data on all investment assets in client portfolios. Additional economic and market information is obtained from various sources. Such details are utilized in UACC's internal analytics and are a factor in UACC's investment management process.

Although the primary objective of UACC's investment management discipline is to preserve principal value, and investments are typically limited to U.S. Treasury and various federal agency obligations, selling such investment assets prior to maturity are subject to market prices that may result in a loss of principal.

Interest rate risk affects the value of fixed-income securities currently held in client portfolios. The degree of market value decline is based upon the extent to which the absolute level of interest rates rises and the average weighted maturity of client portfolios. Conversely, if interest rates decline, the market value of fixed-income holdings in client portfolios will typically increase in value.



U.S. Treasury securities are full faith and credit obligations of the United States government. With some exceptions, such as the Government National Mortgage Association (GNMA), various federal agency obligations (Government Sponsored Agencies or "GSE's") such as the Federal National Mortgage Association (FNMA), the Federal Home Loan Bank (FHLB), the Federal Farm Credit Bank (FFCB), and the Federal Home Loan Mortgage Corporation (FHLMC) are not full faith and credit obligations of the United States Government and, therefore, carry some degree of credit risk. Such obligations have historically been regarded as "implied" obligations of the United States Government, but there is no legal obligation of, or guaranty by, the United States government to support those federal agency obligations.

DISCIPLINARY INFORMATION

UACC is required to disclose in this section of this brochure the material facts of any legal or disciplinary events that are material to a client's or prospective client's evaluation of UACC's advisory business or the integrity of UACC's management. No such disciplinary events have occurred.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

UACC is required to disclose in this section of this brochure any other financial industry activities and affiliations.

Neither UACC nor any of its management persons are registered, or have an application pending to register, as a broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, commodity pool operator, a commodity trading advisor or an associated person of the foregoing.

UACC is not affiliated with any other organization or financial institution or broker/dealer firm.

The persons at UACC comprising UACC's investment management team, Dennis V. Yacobozzi, Kevin J. Klingel and James W. McCourt, are full time, salaried employees of UACC who work exclusively for UACC.

UACC employs Dennis V. Yacobozzi, II as UACC's Chief Compliance Officer. Mr. Yacobozzi also maintains a separate legal practice which is owned solely by him and located in separate offices.



CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

UACC has adopted a code of ethics setting forth policies and procedures in accordance with the Investment Advisors Act and Rules thereunder designed to prevent the misuse of non-public information by UACC or any persons associated with UACC and the violation of applicable federal securities laws. A copy UACC's code of ethics will be provided to any client or prospective client upon request.

UACC is also required to describe in this section, and discuss conflicts of interest presented by, any of the following practices of UACC involving "reportable securities"³: (1) recommendations by UACC (or a related person) to clients, or purchases or sales for client accounts, of reportable securities in which UACC (or a related person) has a material financial interest; (2) investments by UACC (or a related person) in the same reportable securities (or related securities) that UACC (or a related person) recommends to client; and (3) the recommendation of reportable securities to clients, or purchase or sale of reportable securities for client accounts, at or about the same time that UACC (or a related person) buys or sells the same reportable securities for the account of UACC (or a related person). UACC does not engage in any of such practices.

BROKERAGE PRACTICES

In some instances, UACC will recommend or select broker-dealers to be used on client transactions. In doing so, UACC considers various factors, including, but not necessarily limited to, reliability and reputation, knowledge of relevant state statutes governing the investments of public entities, consistency in providing competitive bids/offers, efficiency of execution and error resolution, access to dealer inventory, ability to bid or offer eligible securities utilized by UACC clients, promptness and accuracy of confirmation and overall quality of service. Client referrals from a broker-dealer or third party are not a factor in UACC's selection or recommendation of broker-dealers to clients. Further, UACC does not select or recommend broker/dealers based on UACC's interest in receiving research from such firms.

UACC does not require any client to direct brokerage, and UACC does not recommend or request that a client direct UACC to execute transactions through a specified broker-dealer. In some cases, UACC will execute transactions (on a best price and execution basis) through broker-dealers on an approved list of broker-dealers

³ By SEC Rule 204A-1(e)(10) and similar statutes, "reportable securities" do not include direct obligations of the government of the United States, bankers' acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments, shares issued by money market funds, shares issued by open-end funds other than reportable funds, and shares issued by unit investment trusts that are invested exclusively in one or more open-end funds, none of which are reportable funds.



provided by a client after completion by the client of its own substantive, due diligence review process.

UACC obtains its own research data when evaluating trades. Additional technical and market data is received from various broker/dealers, other investment advisors and financial information systems without obligation. No commissions are paid to broker/dealers since UACC will purchase and/or sell client securities on a "best price execution" basis.

UACC's policies prohibit UACC and its supervised persons from receiving "soft dollars" or any other benefits from broker-dealers in return for directing brokerage transactions; provided that, if applicable, a supervised person may allow the receipt of research utilized by UACC in the performance of its decision-making responsibilities.

In some instances, for the sake of efficiency, UACC will place a purchase order (execute) through a broker/dealer of a particular security (new or secondary issue) for several client accounts. In such cases, UACC informs the broker/dealer of the specific par amounts for each client, and the broker/dealer is directed to deliver the specific par amounts to the client accounts at their respective custodian banks versus payment. When UACC places an order to be shared among multiple client accounts, all clients receive the same price, regardless of the amount of principal being delivered to each client's custodian bank.

REVIEW OF ACCOUNTS

All client portfolios are reviewed no less frequently than weekly. Where appropriate, additional portfolio reviews are conducted in order to determine whether any material changes in portfolio principal value have occurred based upon changes in market conditions. Changes in market conditions that may affect the market value of client portfolios include, but are not necessarily limited to, unexpected changes in Federal Reserve monetary policy, geopolitical conditions, the release of economic data contrary to market consensus, increased volatility in the equity market and credit sector defaults.

UACC issues written investment reports to its clients on a monthly and, if requested or required by or for a client, quarterly basis. The information set forth in the investment reports includes:

1. Portfolio inventory of all securities;
2. An investment transactions and activity report;
3. An investment income report;



4. A legend urging clients to compare the account statements they receive from UACC with those they receive from their custodian or safekeeping agent; and
5. Any additional information requested by the client.

In addition, UACC participates in scheduled investment committee meetings, if requested, and at such other times as requested by the client.

Clients also receive account holdings statements directly from their custodians/safekeeping agents. Clients are strongly urged to compare those account holdings statements to the reports and statements provided by UACC and records maintained by the clients.

CLIENT REFERRALS AND OTHER COMPENSATION

UACC will from time to time use third parties to solicit business. Since UACC's fees are typically based upon the amount of funds under management, the solicitors are paid depending upon the amount of dollars under UACC's management from clients referred to by the solicitors. Each third party solicitor is bound by a written agreement which specifies: (1) solicitation activities and compensation to be paid; and (2) UACC's investment requirements and duties of the solicitors under the Investment Advisors Act. The written agreement also requires the solicitor to provide new accounts with a copy of UACC brochure (Form ADV, Part II).

In addition, UACC requires the solicitor to provide the potential client with a written disclosure statement setting forth: (1) the name of the solicitor; (2) the name of UACC; (3) a description of the nature of the relationship between UACC and the solicitor; (4) a statement identifying the solicitor as the recipient of compensation from UACC; and (5) the terms of the compensation arrangement.

UACC requires the third party solicitors to obtain from each new client referred by the solicitor an acknowledgement signed by the client verifying that the client has received copies of the solicitor's written disclosure statement and UACC's brochure. Copies of the signed client acknowledgments are maintained in UACC's files.

Commencing on or before June 13, 2012, UACC will discontinue use of any third parties to solicit government entities for investment advisory services on behalf of UACC unless such third party is a "regulated person" (an SEC-registered investment adviser, a broker-dealer or and SEC registered municipal adviser subject to pay-to-play restrictions).



CUSTODY

UACC does not have custody of client funds or securities. Nor does UACC have authority to obtain possession of client funds or securities. Client funds and securities are held by custodian banks or safekeeping agents pursuant to separate contracts between the clients and the custodians or safekeeping agents.

INVESTMENT DISCRETION

UACC accepts discretionary authority to manage securities accounts on behalf of some clients. Because UACC's clients consist almost exclusively of public clients, UACC's discretionary authority is limited by state law requirements for eligible investments for state agencies and other political subdivisions. In addition, UACC's authority is further limited by any investment policies and guidelines established by the client. Investment decisions are made by UACC, including the execution of investment transactions, subject to such laws and guidelines. In order for UACC to assume discretionary authority over a client account, the authority must be explicitly granted to UACC in the written investment advisory agreement with the client, and the client must also instruct its custodian to accept trade instructions from UACC.

VOTING CLIENT SECURITIES

UACC does not maintain custody of client securities. The firm does not have, nor accepts, authority to vote client securities. The client should look to their separate contracts with their custodians and/or safekeeping agents to establish and/or ascertain voting policies and procedures regarding voting of client securities.

FINANCIAL INFORMATION

UACC is required to disclose certain financial information in this section of this brochure if UACC requires or solicits prepayment of more than \$1,200 in fees per client six months or more in advance. UACC does not require or solicit prepayment of any fees from its clients. All fees are paid in arrears.

As stated elsewhere in this brochure, UACC does not maintain custody of client funds or securities. UACC is not aware of any condition that is reasonably likely to impair its ability to meet its contractual commitments to clients.

UACC has never been the subject of a bankruptcy petition.



REQUIREMENTS FOR STATE-REGISTERED ADVISERS

UACC is not registered, nor is UACC in the process of registering, with any state securities commission.