

Firm Brochure (Part 2A of Form ADV)  
March 27, 2012

**SCHAPER, BENZ & WISE INVESTMENT COUNSEL, INC.**

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**This brochure provides information about the qualifications and business practices of Schaper, Benz & Wise Investment Counsel, Inc. (SBW). If you have any questions about the contents of this brochure, please contact us at (920) 727-1137 or [sbw@sbw-invest.com](mailto:sbw@sbw-invest.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.**

**SBW is an SEC-registered investment adviser. Registration of an adviser with the SEC does not imply a certain level of skill or training.**

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

## **Item 2 - Material Changes**

This Item 2 discusses only specific material changes that have been made to the brochure and provides clients with a summary of such changes. Since the last annual update to our brochure dated March 22, 2011, the following material changes have been incorporated in the brochure:

- SBW's founding principal, Gerald L. Schaper, passed away in February 2012. Responsibility for managing Mr. Schaper's client portfolios was transitioned to other SBW professionals. In addition, SBW's investment committee continues its oversight with respect to the management of these client accounts.
- We amended the brochure to add a description of our Family Wealth Counsel program, pursuant to which we provide wealth transfer planning, retirement planning, financial/tax planning and other administrative services to certain clients. We will be deemed to have custody of client funds and securities as a result of our services to clients participating in this program. Accordingly, we updated Item 4 – "Advisory Business" to include a description of this program, Item 5 – "Fees and Compensation" to include the fee schedule for this program, and Item 15 – "Custody" to update our custody disclosure.

We will ensure that clients receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

A copy of this brochure may be requested, without charge, by contacting Michael Wise, SBW's chief compliance officer, at (920) 727-1137 or [mwise@sbw-invest.com](mailto:mwise@sbw-invest.com). Additional information about SBW is also available via the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website also provides information about any persons affiliated with SBW who are registered as investment adviser representatives of SBW.

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Bradley E. Benz  
Michael L. Wise  
Laura A. Guy  
Thomas H. Rippl  
Christi L. Salm

#### Item 4 - Advisory Business

Schaper, Benz & Wise Investment Counsel, Inc. ("SBW"), founded in 1992, provides professional portfolio management services primarily to high-net worth individuals and families, foundations, pension and profit sharing plans and corporations by providing continuous investment advice and management based upon the individual needs and objectives of each client. SBW is an independent firm 100% owned by its employees. Bradley E. Benz and Michael L. Wise are the principal owners of the firm.

We work with clients to establish appropriate investment objectives and policies based on the client's unique circumstances. We provide investment advisory services on a discretionary basis. We make all investment decisions for client accounts and, when we deem appropriate and without prior consultation with the client, we buy and sell stocks, bonds, other securities and other financial instruments as we may select, subject to any written investment objectives, policies and restrictions as the client may from time to time provide to us. From time to time, we may provide investment advisory services on a non-discretionary basis.

We manage equity, fixed income and money market strategies for our clients. From time to time, we also provide personal financial planning services. These services may include income and estate tax planning, retirement planning, insurance planning and cash-flow planning and budgeting. SBW may also provide financial planning and administrative services to certain clients as part of our Family Wealth Counsel program. These services include retirement planning, financial and tax planning, charitable planning, fiduciary trustee advising, private foundation administrative services, bill paying services and estate planning in consultation with the client's legal counsel. These services may be provided in conjunction with investment advisory services or on a stand-alone basis.

We will not offer any products or services that guarantee rates of return on investments for any time period to any client. All clients will assume the risk that investment returns may be negative or below the rates of return of other investment advisers, market indices or investment products.

As of December 31, 2011, we managed \$416,357,311 in assets on a discretionary basis. As of such date, we did not manage any assets on a non-discretionary basis.

#### Item 5 - Fees and Compensation

*Standard Annual Fee Schedule.* Our fees for providing investment advisory services are based on a percentage of assets under management in accordance with the following fee schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$3,000,000	0.50%
Next \$2,000,000	0.40%
Next \$5,000,000	0.30%
Over \$10,000,000	0.25%
Minimum Annual Fee:	\$5,000

*Financial Planning Fee Schedule.* Fees for financial planning services are negotiated on an individual basis. However, when we provide both investment advisory services and on-going financial planning services to a client, fees are based on a percentage of the assets under management based on the following fee schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$1,000,000	0.70%
Next \$2,000,000	0.60%
Next \$2,000,000	0.50%
Next \$5,000,000	0.40%
Over \$10,000,000	0.30%
Minimum Annual Fee:	\$7,000

*Family Wealth Counsel Fee Schedule.* The following is the basic fee schedule for Family Wealth Counsel services, although fees may vary by client and depending on the level and scope of services. Our fees may be negotiable in special situations. SBW may also offer family wealth counsel services on an hourly and/or fixed fee basis.

<u>Assets Under Advisement</u>	<u>Annual Fee</u>
First \$2,000,000	0.30%
Over \$2,000,000	0.25%
Minimum Annual Fee:	\$6,000

*Other Fee Information.* Our advisory fees are generally not negotiable. However, in our discretion, we may waive the minimum annual fee, grant exceptions to the fee schedule or charge on an hourly and/or fixed fee basis depending on the particular circumstances involved. Fees are calculated based on the market value of the managed assets, as determined by us as of the last business day of each calendar quarter, and are billed quarterly in arrears at one-fourth of the annual fee rate. Fees for any partial quarter are reduced on a pro-rata basis. From time to time, we may charge an hourly fee in connection with special projects. The hourly fee rate is negotiable depending on the services requested by the client. In the investment advisory agreement, clients may select to either authorize us to deduct advisory fees directly from the client's custodial account or to have us bill the client directly for advisory fees incurred. It is the client's responsibility to review the advisory fees included in the account statements provided by the custodian.

Investment advisory agreements will generally continue until terminated by either us or the client upon 60 days' prior written notice. We may charge reasonable expenses in connection with the termination of an advisory contract (e.g., expenses incurred as a result of transferring files to a new investment adviser). No fee increase will be effective without at least 60 days' prior written notice to the client.

Our fees exclude brokerage charges, commissions, custodial costs, taxes and other costs incidental to the purchase and sale of securities. For more information on these types of fees, see Item 12, "Brokerage Practices," below. Moreover, clients whose assets are invested in shares of mutual funds and other pooled investment vehicles ("acquired funds") will pay both a direct

management fee to us, as well as indirect management fees and other expenses incurred by the acquired funds. Please refer to the acquired fund's prospectus or other offering documents for more information.

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

We do not charge any performance-based fees, which are fees based on a share of capital gains or capital appreciation of client assets.

### **Item 7 - Types of Clients**

We provide investment advisory services primarily to high-net worth individuals and families, foundations, pension and profit sharing plans and corporations. We generally require a minimum annual fee for our services as set forth under Item 5 – Fees and Compensation.

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

#### Methods of Analysis and Investment Strategies

We currently manage client accounts utilizing the following strategies:

*Equity Strategy:* Our time-tested strategy is to invest in high quality, consistent growth companies with the goal of achieving long-term principal and income growth. In-house analysts perform comprehensive, fundamental research to aid in the stock selection process. By obtaining a thorough understanding of the company's secular growth and profitability drivers, we are less likely to be swayed by short-term, cyclical fluctuations. We scrutinize financial statements, press releases, competitor threats, and other sources of public information. A key element of our research process is to conduct on-site meetings with executive management. Our team also communicates regularly with company management via e-mail and by phone.

We emphasize companies with above average growth prospects, strong financial characteristics and reputable management teams. Characteristics of an attractive investment opportunity are:

- Sustainable competitive advantage;
- High barriers to competitive entry;
- Industry or niche leader;
- Unique product or service;
- Stable and trustworthy management;
- Transparent financial reports;
- Strong balance sheet;
- Consistent, positive cash flow;
- Consistent, above-average revenue growth and profitability; and
- Consistent, above-average return on invested capital (ROIC).

A typical equity portfolio is diversified among 40 to 45 companies, with the majority in core holdings and the remainder in emerging growth or special situation holdings. In many cases, portfolios will also hold internally-evaluated mutual funds that invest in foreign companies. Most equity portfolios are fully invested at all times, and turnover is low. The primary reason

we would sell a stock if the fundamentals that attracted us to a company deteriorate. At times, we may also reduce our position when we feel the stock price has become significantly overvalued relative to our longer-term expectations. To determine fair market value, we utilize discounted cash flow and dividend discount models.

*Fixed Income Strategy:* Our fixed income strategy is geared toward principal preservation, inflation protection, and predictable income generation. Our portfolios are generally laddered maturities of treasury or government-guaranteed notes and investment-grade corporate or municipal issues. Because credit quality is extremely important, we are highly selective in our use of non-investment-grade bonds. Portfolio average maturities range from 3 to 8 years in most cases. Typically, we hold fixed income investments to maturity.

*Money Market Strategy:* Our money market strategy is designed to provide maximum safety and liquidity while realizing a competitive yield. We utilize high-quality money market mutual funds and U.S. treasury bills.

### Types of Investments

We may offer investment advice on the following types of investments:

- domestic and foreign equity securities, such as common stock, preferred stock and warrants to purchase common and preferred stock;
- fixed-income securities;
- municipal securities;
- government securities;
- commercial paper;
- certificates of deposit;
- investment company securities (mutual funds and exchange-traded funds);
- options; and
- interests in partnerships investing in real estate and oil and gas interests.

### Risk of Loss

Risk of loss is inherent in any investment in securities. Past performance does not guarantee future results, and there is no guarantee that your investment objectives will be achieved. Your account may be subject to the following risks:

*Management Risk.* You will delegate to us and our portfolio managers the authority to buy and sell securities on your behalf based upon the managers' judgment and upon their investment abilities. There is no guarantee that the portfolio managers' investment techniques will be successful.

*Equity Securities Risk.* Common stocks and other equity securities generally increase or decrease in value based on the earnings of a company and on general industry and market conditions. The value of a company's share price may decline as a result of poor decisions made by management, lower demand for the company's services or products or if the company's

financial results fall short of expectations. There are also risks associated with the stock market overall. The stock market may experience periods of turbulence and instability.

*Small and Middle Capitalization Company Risk.* Investing in securities of small and middle capitalization companies generally involves a higher degree of risk than investing in securities of larger companies. The prices of securities of small and mid-sized companies are generally more volatile than those of larger companies, they generally will have less market liquidity, and they may be more likely to be adversely affected by poor economic or market conditions. These risks generally increase as the size of the companies decrease.

*Preferred Stock Risk.* Preferred stock is a class of a capital stock that typically pays dividends at a specified rate. Preferred stock is generally senior to common stock, but subordinate to debt securities, with respect to the payment of dividends and on liquidation of the issuer. The market value of preferred stock generally decreases when interest rates rise (interest rate risk) and is also affected by the issuer's ability to make payments on the preferred stock (credit risk).

*Foreign Investing Risk.* Investments in foreign companies and markets carry a number of economic, financial and political considerations that are not associated with the U.S. markets and that could unfavorably affect your account's performance. Among those risks are greater price volatility; weak supervision and regulation of securities exchanges, brokers and issuers; higher brokerage costs; fluctuations in foreign currency exchange rates and related conversion costs; adverse tax consequences; and settlement delays.

*Fixed Income Securities Risk.* Debt securities, such as notes and bonds, are subject to credit risk and interest rate risk. Credit risk is the possibility that an issuer of an instrument will be unable to make interest payments or repay principal when due. Changes in the financial strength of an issuer or changes in the credit rating of a security may affect its value. Interest rate risk is the risk that interest rates may increase, which tends to reduce the resale value of certain debt securities.

*Municipal Securities Risk.* Municipal securities are subject to various risks based on factors such as economic and regulatory developments, changes or proposed changes in the federal and state tax structure, deregulation, court rulings and other factors. Repayment of municipal securities depends on the ability of the issuer or project backing such securities to generate taxes or revenues. There is a risk that the interest on an otherwise tax-exempt municipal security may be subject to federal income tax.

*Government Securities Risk.* U.S. Government securities are subject to interest rate and inflation risks. Not all U.S. Government securities are backed by the full faith and credit of the U.S. Government. Certain securities issued by agencies and instrumentalities of the U.S. Government are only insured or guaranteed by the issuing agency or instrumentality, which must rely on its own resources to repay the debt. As a result, there is risk that these entities will default on a financial obligation.

*Mutual Funds and Other Investment Companies Risk.* Mutual funds, and other investment companies such as exchange-traded funds or ETFs, are subject to investment advisory, transactional, operating and other expenses. Each fund is subject to specific risks, depending on its investments and structure. The value of mutual funds' investments and the net asset value of



the funds' shares will fluctuate in response to changes in market and economic conditions, as well as the financial condition and prospects of companies and other investments in which the funds invest. The performance of each fund will depend on whether the fund's investment adviser is successful in pursuing the fund's investment strategy.

### **Item 9 - Disciplinary Information**

There have been no legal or disciplinary events involving SBW or any of our employees involving investments or investment-related activities or that are otherwise material to a client's evaluation of our advisory business or the integrity of our management.

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

SBW is an independent, employee-owned investment adviser. We are not affiliated with any other financial services firms.

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

We maintain a Code of Ethics (the "Code") that governs all of our directors, officers and employees (collectively "access persons") and requires them to adhere to the highest standards of business conduct. The Code addresses our policies relating to compliance with laws and regulations, conflicts of interest, confidentiality, client gifts and entertainment, personal trading and reporting and insider trading, and is intended to assist access persons in carrying out their duties as fiduciaries to clients. A copy of the Code is available upon request.

We and/or our access persons may invest in the same securities that are recommended to clients. Transactions by access persons are governed by the Code. Access persons may invest in securities held by client accounts subject to the restrictions and procedures in the Code. We prohibit our access persons from engaging in securities transactions that would create a conflict of interest with our clients. In particular, access persons are required to give priority to a client's transactions over personal transactions at all times. In addition, we require access persons to pre-clear all personal securities transactions. Any transaction that has been pre-cleared must be entered near the end of the trading day after all anticipated client trades have been completed. Finally, employees are prohibited from trading in their own accounts, or on behalf of a client, on the basis of material, nonpublic information (i.e., inside information). Personal trading activities are monitored by our chief compliance officer.

### **Item 12 - Brokerage Practices**

We will generally determine the broker-dealer (the "broker") through which securities transactions are executed. In selecting a broker, we consider the full range and quality of a broker's services, and evaluate a number of factors including:

- execution, clearance and settlement capabilities;
- commission rates;
- financial responsibility;
- responsiveness to us and our clients; and

- the value of the research services provided.

However, the client's custodian, which is solely the client's choice, is a primary determinant of our ability to select brokers to execute transactions. If a client elects to have its account custodied at a brokerage firm, the account is then usually restricted to executing transactions only through that brokerage firm, and the client may forego any benefits it may have had if its assets were custodied elsewhere. Furthermore, with non-brokerage firm custodians, such as financial institutions and trust companies, we typically have arrangements with several specific brokerage firms whereby the account's transactions may be executed only through one of the listed firms. This arrangement also can result in the client foregoing any of the benefits it may have had if its assets were custodied elsewhere.

Other than in circumstances where a client directs us to use a certain broker (see "Directed Brokerage," below), when selecting or recommending brokers, we do not consider whether the broker refers clients to our firm. The primary criteria considered by us in selecting a broker is the ability of the broker, in our opinion, to execute the order as promptly and efficiently as possible subject to our overriding policy of obtaining the best market price and execution for all transactions, giving due consideration to the full range and quality of a broker's services in placing brokerage, including those factors noted above.

We may negotiate commissions and charges with a broker in advance of each transaction or on an ongoing basis. The approximate brokerage discount and charges prevailing in the industry are generally known to us prior to effecting transactions. In determining the overall reasonableness of the commissions paid, we compare the commission rates to those we pay on transactions for our client accounts and to the rates generally charged in the industry to institutional and retail investors. The commissions are also considered in view of the value of the research services (e.g., research reports, participation at investor conferences, etc.), if any, provided by the broker through whom a transaction is placed.

#### Directed Brokerage

We will direct brokerage services to a particular broker or brokers if specifically directed to do so by a client. However, this direction can limit or eliminate our ability to negotiate commissions and to obtain volume discounts on bunched orders and otherwise obtain best price and execution. Accordingly, directed brokerage may cost you more money. Clients should consider the implications of any fiduciary laws applicable to them prior to designating a broker for execution of trades.

From time to time, brokers may recommend that their clients invest funds with us. In such cases, we may direct brokerage for such clients to that broker, provided that the brokerage services so furnished to SBW are comparable to brokerage services generally available from other brokers. SBW may have a conflict of interest between its duty to obtain a combination of best price and execution for its clients and securing additional business from these brokers. We have established procedures to address this conflict, including reviews by our chief compliance officer of brokerage execution.

Soft Dollar Arrangements

Purchases and sales of portfolio securities are frequently placed, without any agreement or undertaking to do so, with brokers who provide us with supplemental research in accordance with the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Research services that SBW may obtain through soft dollar transactions are limited to access to proprietary research of a firm with whom we trade, including periodic investment conferences sponsored by those firms where we are able to interact directly with the management of companies we own or would consider purchasing for our clients.

In instances where we determine that the supplemental research provided by brokers is of significant value, our practice is to place trades for our clients with brokers who may be paid a higher commission than other brokers but only to the extent we determine in good faith that the amount of commission paid is reasonable in light of the research provided by such brokers. From time to time, we may allocate brokerage to brokers for those clients that have invested funds with us based partially on the recommendation of those brokers, provided brokerage services so furnished to us are comparable to brokerage services generally available from other brokers. We will not direct brokerage to providers of research solely on the basis of receipt of such research.

To the extent that we use client transactions to obtain research or other products or services that we could otherwise purchase for cash, we receive a benefit because we do not have to produce or pay for such research, products or services. As a result, we may have an incentive to place more trades or pay higher commissions than would otherwise be the case due to our interest in receiving these benefits, rather than our client's interest in receiving most favorable execution. However, we monitor this potential conflict of interest by reviewing all research and brokerage services annually to determine the reasonableness of the brokerage allocation and/or price for such services. In no case will we make binding commitments to allocate brokerage in return for research, products or services.

Allocating brokerage business to brokers who provide research services to us allows us to supplement our investment research activities, and to benefit from the views and information of individuals and staffs of many different securities research firms prior to making investment decisions for a client. Research services are used by us in servicing all of our client accounts and may not necessarily be used in connection with the account that paid the commissions to the brokers providing such services. We believe it is not possible to measure separately the benefits from research services to each of the client accounts. In addition, we believe that costs to the client accounts participating in soft dollar transactions will not be disproportionate to the benefits received by those accounts on a continuing basis.

While we endeavor to purchase with soft dollars only those services that fall within the definition of "brokerage and research services" as provided in Section 28(e) of the Exchange Act, there are some services which could have a "mixed use" (i.e., for both research and other client service purposes). This occurs when services which provide valuable research may also be used incidentally for functions such as performance evaluation or accounting, which may benefit us. Where products or services have a mixed use, we must allocate the value and pay cash for the portion of such products and services used for non-research purposes. This allocation decision

may present a conflict of interest to us because we decide how much the firm will pay in cash. Our compliance procedures require that such allocations be made in good faith.

#### Trade Aggregation

From time to time, we may aggregate or “bunch” trades, primarily in an attempt to gain greater leverage to obtain favorable execution and lower brokerage commissions. We will not aggregate transactions unless we believe that aggregation is in the best interests of clients and consistent with our fiduciary duties. Each of our clients that participates in an aggregated order will participate at the average share price for the bunched order on a given business day, with transaction costs shared pro rata based on each client’s participation in the transaction; however, there may be occasions when clients may pay disparate commission rates on bunched orders due to minimum charges per account imposed by either the broker effecting the transaction or the client’s custodian. If the aggregated order is filled in its entirety, it will be allocated in accordance with the written statement prepared by us, in advance of placing the order, which will specify the participating client accounts and how we intend to allocate the order among those clients. If the order is partially filled, it will be allocated pro rata based on such statement. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the statement if all clients receive fair and equitable treatment and the reason for the different allocation is explained in writing.

#### Trade Errors

As a fiduciary, we have the responsibility to effect trade orders correctly, promptly and in the best interests of our clients. Our chief compliance officer is responsible for ensuring that any such trade errors are promptly identified, corrected and documented. In the event any error occurs in the handling of any client transactions, our policy is that clients are made whole. If we cause a trade error to occur in a client account that results in a loss, we will reimburse the client. Any gain related to the error will remain in the client’s account.

### **Item 13 - Review of Accounts**

*Investment Advisory Services.* Our investment committee oversees our investment process. The investment committee includes Bradley E. Benz (President, Treasurer and a Director), Michael L. Wise (Vice President, Secretary, Chief Compliance Officer and a Director), Laura A. Guy (Vice President, President–Family Wealth Counseling and a Director), Thomas H. Rippl (Portfolio Manager/Analyst, Vice President and Investment Officer) and Christi L. Salm (Portfolio Manager/Analyst, Vice President and Investment Officer). Securities held in client portfolios are subject to ongoing review with respect to company fundamentals and economic and market conditions. Portfolios are subject to ongoing review (including formal review by principals at least annually) with respect to the mix among money market, fixed income and equity investments in relation to the objectives of the client.

Clients will receive from a custodian bank or brokerage firm a monthly or quarterly account statement that lists the securities in the account under management, provides a current price and value of each security and provides an estimated annual income earned by each security. At least annually, or more often as scheduled by the client and us, we will: (i) provide a written summary of the client’s account, which will include information setting forth the name, quantity

and market value of each security held in the account, the total value of cash and securities under management, and the performance of the account; and (ii) review (as noted above) the client's investment account and investment objectives in a personal meeting or by written correspondence.

*Financial Planning Services.* Unless otherwise directed by a financial planning client, we review the needs of each client at least annually. More frequent reviews may be requested or performed on an as-needed basis. This review is undertaken by Laura A. Guy, subject to the supervision of Michael L. Wise. Financial planning reports are provided as requested or required and may include financial statements, income and expense projections and cash flow analyses.

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

Other than the soft dollar benefits disclosed in Item 12, above, we do not receive commissions or any other economic benefit from a non-client in connection with providing advice to clients.

We may compensate persons who solicit clients for the investment advisory services provided by us. Any such referral arrangements and payments will be made in accordance with Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended, and any applicable state securities laws. We do not currently have any referral arrangements in place.

#### **Item 15 - Custody**

All client assets are held in custody by unaffiliated banks or broker-dealers, but we are deemed to have custody to the extent that we deduct advisory fees from a client's account. We are also considered to have custody in other cases, such as when we are given check writing authority over client assets, or when we direct payments from a client account at the custodian to third parties. All clients must appoint a qualified custodian, such as a broker, bank or trust company, to have possession of the assets of the account, to settle transactions for the account and to accept instructions from us regarding the assets in the account. All clients receive quarterly account statements directly from the custodian. *Please compare the information in the written account statements prepared by us with the information in the account statements provided by the custodian.*

#### **Item 16 - Investment Discretion**

We generally have discretionary authority to purchase and sell securities for client accounts by virtue of a power of attorney granted by the client as part of the investment advisory agreement, subject to any written investment limitations imposed by the client. These limitations may affect the performance of the client's account relative to other accounts. From time to time, we may provide investment advisory services on a non-discretionary basis.

#### **Item 17 - Voting Client Securities**

As specified in the investment advisory agreement, we will vote all proxies on behalf of the client. Clients that wish to have us vote proxies in a particular manner should provide us with a copy of the client's proxy voting guidelines.

We have adopted proxy voting policies and procedures (the “Proxy Voting Policy”) designed to ensure that SBW votes proxies in the best interests of its clients. Our chief compliance officer is responsible for overseeing the operation of the Proxy Voting Policy. The Proxy Voting Policy addresses how we generally intend to vote proxies (or what factors we will take into consideration) when voting on particular types of issues, such as corporate governance, mergers and acquisitions, shareholders rights, management and director compensation and social issues. When there is a conflict of interest between our interests and those of our clients, we will take one or more of the following steps to resolve the conflict:

- vote the securities based on a pre-determined policy if the application of that policy to the matter presented to shareholders involves little discretion on our part;
- vote the securities in accordance with a pre-determined voting policy based upon the recommendations of an independent third party, such as a proxy voting service;
- refer the proxy to the client or to a fiduciary of the client for voting purposes;
- suggest that the client engage another party to determine how the proxy should be voted; or
- disclose the conflict to the client and obtain the client’s consent or direction before voting.

Upon request, we will provide you a copy of the Proxy Voting Policy and information on how the client’s portfolio securities were voted.

### **Item 18 - Financial Information**

We do not have any financial condition that would impair our ability to meet contractual commitments to clients. A balance sheet is not required to be provided because we do not require prepayment of more than \$1,200 in fees per client, six months or more in advance.

### **Item 19 - Additional Information**

#### IPO Policy

We may invest in securities being offered in an initial public offering (“IPO” or “new issue”), if we determine that such an investment is desirable for one or more clients. In making this judgment, we generally consider, among other things:

- a client’s investment objectives, restrictions and tax circumstances;
- a client’s tolerance for risk and high portfolio turnover;
- the nature, size and investment merits of the IPO;
- the size of a client’s account and the client’s cash availability and other holdings; and
- other current or expected competing investment opportunities that may be available for the account.

Sometimes the demand for new issues exceeds the supply, and the amount of certain new issues made available to us may be limited. If we are not able to obtain the total amount of securities needed to fill all orders, the shares actually obtained are allocated based on percentages determined using a pre-established formula which gives primary weight to the amount of equity assets under management (including cash available for investment on the date the IPO is priced) in the client’s account. We then allocate to each participating account the assigned allocation

percentage of the amount of the limited availability IPO securities. To avoid allocations of “odd lot” positions or fractional shares, each client’s allocation is also rounded down to the nearest 100-share lot. Any unallocated securities remaining are distributed on a random basis in minimum lots of 100 shares to those participating accounts that did not qualify for a 100 share or greater allocation based on their allocation percentage.

Our policy and procedures for allocating IPO investment opportunities are designed to ensure that all clients that are eligible to participate in IPOs are treated fairly and equitably over time. Our chief compliance officer periodically will review random trade allocations to assess whether all eligible accounts received an equitable allocation of the new issue consistent with their investment objectives and to ensure that the allocation policy and procedures are being followed.

#### Legal Proceedings

From time to time, we may assist clients in submitting claims and supporting documentation for legal proceedings, including bankruptcies or class actions, involving securities held or previously held in accounts or the issuers of such securities. Within our discretion, we may opine on the advisability of certain shareholder activities and, in that regard, monitor legal proceedings of portfolio companies.

## **NOTICE OF OUR PRIVACY POLICY**

Protecting the privacy of our clients is important to us. This notice describes the practices and policies through which we maintain the confidentiality and protect the security of your non-public personal information.

### **What Information We Collect**

In the course of providing services to you, we may collect the following types of “non-public personal information” about you:

- Information we receive from you on applications or other forms, such as your name, address and social security number, the types and amounts of investments and bank account information, and
- Information about your transactions with us and others, as well as other account data.

“*Non-public personal information*” is non-public information about you that we obtain in connection with providing a financial product or service to you, such as the information described in the above examples.

### **What Information We Disclose**

We do not disclose non-public personal information about you or any of our former clients to anyone, except as permitted by law. In the normal course of serving clients, information we collect may be shared with companies that perform various services such as custodians and broker-dealers. These companies will use this information only for the services for which they were hired and as allowed by applicable law.

### **Confidentiality and Security Procedures**

To protect your personal information, we permit access only by authorized employees. We maintain physical, electronic and procedural safeguards to protect the confidentiality, integrity and security of your non-public personal information.

We will continue to adhere to the privacy policies and practices in this notice even after your account is closed or becomes inactive.

### **Additional Rights**

You may have other privacy protections under applicable state laws. To the extent those state laws apply, we will comply with them with respect to your non-public personal information.

For questions about our policy, or for additional copies of this notice, please contact Mike Wise at Schaper, Benz & Wise Investment Counsel, Inc., P.O. Box 628, Neenah, Wisconsin 54957; telephone (920) 727-1137.



Brochure Supplement (Part 2B of Form ADV)  
March 27, 2012

**SCHAPER, BENZ & WISE INVESTMENT COUNSEL, INC.**

**BRADLEY E. BENZ**

18 Jewelers Park Drive, Suite 200  
Neenah, Wisconsin 54956  
(920) 727-1137  
[www.sbw-invest.com](http://www.sbw-invest.com)

**This brochure supplement provides information about Mr. Benz that supplements the brochure for Schaper, Benz & Wise Investment Counsel, Inc. (SBW). You should have received a copy of that brochure. Please contact Michael Wise, SBW's chief compliance officer, at (920) 727-1137 or [mwise@sbw-invest.com](mailto:mwise@sbw-invest.com) if you did not receive SBW's brochure or if you have any questions about the contents of this supplement.**

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

## **Item 2 – Educational Background and Business Experience**

Bradley E. Benz, CFA, was born in 1964. He received his B.B.A. degree in General Business from the University of Wisconsin-Whitewater in 1986. Mr. Benz served as Vice President, Treasurer and a Director of SBW from February 1994 until March 2001, and has served as President, Treasurer and Director of SBW since March 2001. From May 1986 until February 1994, Mr. Benz served as a Trust Investment Officer for Associated Bank, N.A., a bank located in Neenah, Wisconsin.

Mr. Benz received his Chartered Financial Analyst<sup>®</sup> designation in 1989. Qualification as a CFA<sup>®</sup> charterholder requires:

- a bachelor's degree from an accredited institution or equivalent education or work experience;
- successful completion of all three exam levels of the CFA program;
- 48 months of acceptable professional work experience in the investment decision-making process;
- fulfillment of local society requirements, which vary by society; and
- entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

CFA<sup>®</sup> and Chartered Financial Analyst<sup>®</sup> are registered trademarks owned by the CFA Institute.

## **Item 3 – Disciplinary Information**

There are no legal or disciplinary events relating to Mr. Benz that would be material to a client's evaluation of Mr. Benz.

## **Item 4 – Other Business Activities**

Mr. Benz is not involved in any other investment-related business or occupation or any other business or occupation for compensation.

## **Item 5 – Additional Compensation**

Mr. Benz does not receive any economic benefits from any non-client for providing advisory services, such as sales awards or bonuses for client referrals.

## **Item 6 – Supervision**

As President of SBW, Mr. Benz is the principal executive in SBW's supervisory structure. Accordingly, Mr. Benz has direct or indirect supervisory authority over all of SBW's investment advisory personnel, including himself. Mr. Benz can be reached at (920) 727-1137. Although Mr. Benz does not have a direct supervisor, his activities are monitored by SBW's chief compliance officer. In addition, SBW's investment committee oversees the management of client accounts.

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**SCHAPER, BENZ & WISE INVESTMENT COUNSEL, INC.**

**MICHAEL L. WISE**

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**This brochure supplement provides information about Mr. Wise that supplements the brochure for Schaper, Benz & Wise Investment Counsel, Inc. (SBW). You should have received a copy of that brochure. Please contact Mr. Wise, SBW's chief compliance officer, at (920) 727-1137 or [mwise@sbw-invest.com](mailto:mwise@sbw-invest.com) if you did not receive SBW's brochure or if you have any questions about the contents of this supplement.**

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

## **Item 2 – Educational Background and Business Experience**

Michael L. Wise, CFA, was born in 1954. He received his B.G.S. degree in General Studies from the University of Michigan in 1976 and his J.D. degree from Wayne State University in 1979. Mr. Wise has served as Vice President, Secretary and a Director of SBW since February 1998, as Compliance Officer of SBW since March 2001 and as Chief Compliance Officer of SBW since October 2004. From August 1988 until February 1998, Mr. Wise served as Vice President and Trust Officer for Associated Bank, N.A., a bank located in Neenah, Wisconsin, and from January 1986 until July 1988, he served as Vice President and Senior Trust Officer for First National Bank, a bank located in Clinton, Iowa.

Mr. Wise received his Chartered Financial Analyst<sup>®</sup> designation in 2001. Qualification as a CFA<sup>®</sup> charterholder requires:

- a bachelor's degree from an accredited institution or equivalent education or work experience;
- successful completion of all three exam levels of the CFA program;
- 48 months of acceptable professional work experience in the investment decision-making process;
- fulfillment of local society requirements, which vary by society; and
- entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

CFA<sup>®</sup> and Chartered Financial Analyst<sup>®</sup> are registered trademarks owned by the CFA Institute.

## **Item 3 – Disciplinary Information**

There are no legal or disciplinary events relating to Mr. Wise that would be material to a client's evaluation of Mr. Wise.

## **Item 4 – Other Business Activities**

Mr. Wise is not involved in any other investment-related business or occupation or any other business or occupation for compensation.

## **Item 5 – Additional Compensation**

Mr. Wise does not receive any economic benefits from any non-client for providing advisory services, such as sales awards or bonuses for client referrals.

## **Item 6 – Supervision**

Mr. Wise reports to Bradley E. Benz, President of SBW. Mr. Benz can be reached at (920) 727-1137. Mr. Wise's activities are also monitored by SBW's supervisory structure. In addition, SBW's investment committee oversees the management of client accounts.

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**SCHAPER, BENZ & WISE INVESTMENT COUNSEL, INC.**

**LAURA A. GUY**

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[www.sbw-invest.com](http://www.sbw-invest.com)

**This brochure supplement provides information about Ms. Guy that supplements the brochure for Schaper, Benz & Wise Investment Counsel, Inc. (SBW). You should have received a copy of that brochure. Please contact Michael Wise, SBW's chief compliance officer, at (920) 727-1137 or [mwise@sbw-invest.com](mailto:mwise@sbw-invest.com) if you did not receive SBW's brochure or if you have any questions about the contents of this supplement.**

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

## **Item 2 – Educational Background and Business Experience**

Laura A. Guy was born in 1961. She received her B.A. degree in History from Marquette University in 1983 and her J.D. degree from the University of Wisconsin-Madison in 1986. Ms. Guy has served as Vice President of SBW since July 2000, as a Director of SBW since June 2010 and as President–Family Wealth Counseling of SBW since November 2011. From July 1999 until July 2000, Ms. Guy served as Vice President and Trust Officer for Associated Trust Co., N.A., a trust company located in Neenah, Wisconsin. From April 1988 until June 1999, Ms. Guy served as Vice President and Trust Officer for Associated Bank, N.A., a bank located in Neenah, Wisconsin. Ms. Guy is a member of the State Bar of Wisconsin.

## **Item 3 – Disciplinary Information**

There are no legal or disciplinary events relating to Ms. Guy that would be material to a client's evaluation of Ms. Guy.

## **Item 4 – Other Business Activities**

Ms. Guy is not involved in any other investment-related business or occupation or any other business or occupation for compensation.

## **Item 5 – Additional Compensation**

Ms. Guy does not receive any economic benefits from any non-client for providing advisory services, such as sales awards or bonuses for client referrals.

## **Item 6 – Supervision**

Ms. Guy reports to Bradley E. Benz, President of SBW. Mr. Benz can be reached at (920) 727-1137. Ms. Guy's activities are also monitored by SBW's chief compliance officer and its supervisory structure. In addition, SBW's investment committee oversees the management of client accounts.

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**SCHAPER, BENZ & WISE INVESTMENT COUNSEL, INC.**

**THOMAS H. RIPPL**

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**This brochure supplement provides information about Mr. Rippl that supplements the brochure for Schaper, Benz & Wise Investment Counsel, Inc. (SBW). You should have received a copy of that brochure. Please contact Michael Wise, SBW's chief compliance officer, at (920) 727-1137 or [mwise@sbw-invest.com](mailto:mwise@sbw-invest.com) if you did not receive SBW's brochure or if you have any questions about the contents of this supplement.**

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

## **Item 2 – Educational Background and Business Experience**

Thomas H. Rippl, CFA, was born in 1978. He received his B.S.B.A. degree in Finance and Accounting from the University of Colorado in 2002. Mr. Rippl has served as an Investment Analyst of SBW since July 2002, as a Portfolio Manager since July 2003 and as a Vice President and Investment Officer since October 2006.

Mr. Rippl received his Chartered Financial Analyst<sup>®</sup> designation in 2006. Qualification as a CFA<sup>®</sup> charterholder requires:

- a bachelor's degree from an accredited institution or equivalent education or work experience;
- successful completion of all three exam levels of the CFA program;
- 48 months of acceptable professional work experience in the investment decision-making process;
- fulfillment of local society requirements, which vary by society; and
- entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

CFA<sup>®</sup> and Chartered Financial Analyst<sup>®</sup> are registered trademarks owned by the CFA Institute.

## **Item 3 – Disciplinary Information**

There are no legal or disciplinary events relating to Mr. Rippl that would be material to a client's evaluation of Mr. Rippl.

## **Item 4 – Other Business Activities**

Mr. Rippl is not involved in any other investment-related business or occupation or any other business or occupation for compensation.

## **Item 5 – Additional Compensation**

Mr. Rippl does not receive any economic benefits from any non-client for providing advisory services, such as sales awards or bonuses for client referrals.

## **Item 6 – Supervision**

Mr. Rippl reports to Bradley E. Benz, President of SBW. Mr. Benz can be reached at (920) 727-1137. Mr. Rippl's activities are also monitored by SBW's chief compliance officer and its supervisory structure. In addition, SBW's investment committee oversees the management of client accounts.



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**SCHAPER, BENZ & WISE INVESTMENT COUNSEL, INC.**

**CHRISTI L. SALM**

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**This brochure supplement provides information about Ms. Salm that supplements the brochure for Schaper, Benz & Wise Investment Counsel, Inc. (SBW). You should have received a copy of that brochure. Please contact Michael Wise, SBW's chief compliance officer, at (920) 727-1137 or [mwise@sbw-invest.com](mailto:mwise@sbw-invest.com) if you did not receive SBW's brochure or if you have any questions about the contents of this supplement.**

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

## **Item 2 – Educational Background and Business Experience**

Christi L. Salm, CFA, was born in 1972. She received her B.B.A. degree in Finance, Investment & Banking and Marketing from the University of Wisconsin-Madison in 1994. Ms. Salm has served as Portfolio Manager/Analyst, Vice President and Investment Officer of SBW since August 2003. From April 2002 to August 2003, Ms. Salm served as Associate Portfolio Manager for Thrivent Investment Management, located in Appleton, Wisconsin. From November 1999 to April 2002, Ms. Salm served as Senior Equity Analyst for Thrivent Investment Management. From July 1998 to November 1999, Ms. Salm served as Investment Associate for Merrill Lynch Private Client Services in Schaumburg, Illinois. From June 1996 to June 1998, Ms. Salm served as Trust Investment Officer for Associated Bank, N.A., a bank located in Neenah, Wisconsin. From June 1994 to June 1996, Ms. Salm served as Analyst with Associated Bank, N.A.

Ms. Salm received her Chartered Financial Analyst<sup>®</sup> designation in 1997. Qualification as a CFA<sup>®</sup> charterholder requires:

- a bachelor's degree from an accredited institution or equivalent education or work experience;
- successful completion of all three exam levels of the CFA program;
- 48 months of acceptable professional work experience in the investment decision-making process;
- fulfillment of local society requirements, which vary by society; and
- entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

CFA<sup>®</sup> and Chartered Financial Analyst<sup>®</sup> are registered trademarks owned by the CFA Institute.

## **Item 3 – Disciplinary Information**

There are no legal or disciplinary events relating to Ms. Salm that would be material to a client's evaluation of Ms. Salm.

## **Item 4 – Other Business Activities**

Ms. Salm is not involved in any other investment-related business or occupation or any other business or occupation for compensation.

## **Item 5 – Additional Compensation**

Ms. Salm does not receive any economic benefits from any non-client for providing advisory services, such as sales awards or bonuses for client referrals.

## **Item 6 – Supervision**

Ms. Salm reports to Bradley E. Benz, President of SBW. Mr. Benz can be reached at (920) 727-1137. Ms. Salm's activities are also monitored by SBW's chief compliance officer and its supervisory structure. In addition, SBW's investment committee oversees the management of client accounts.