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This disclosure brochure provides clients with information about the qualifications and business practices of Hudson Advisor Services, Inc., an independent investment advisory firm registered with the United States Securities and Exchange Commission ("SEC"). It also describes the services Hudson Advisor Services, Inc. provides as well as background information on those individuals who provide investment advisory services on behalf of Hudson Advisor Services, Inc. Please contact Jeremy Hudson, Chief Compliance Officer of Hudson Advisor Services, Inc., at 716-852-7628 if you have any questions about the contents of this disclosure brochure.

The information in this disclosure brochure has not been approved or verified by the SEC or by any state securities authority. Registration with the SEC does not imply that Hudson Advisor Services, Inc. or any individual providing investment advisory services on behalf of Hudson Advisor Services, Inc. possess a certain level of skill or training. Additional information about Hudson Advisor Services, Inc. is available on the Internet at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Hudson Advisor Services, Inc. is 107769.

MATERIAL CHANGES

There have been no material changes to this disclosure brochure since the date of its most recent filing (March 10, 2011).

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ADVISORY BUSINESS

Company

Hudson Advisor Services, Inc. is a privately-held New York corporation that has been providing investment advisory services as an SEC-registered investment adviser since 1997 (from 1994 to 1997, William N. Hudson, the founder of Hudson Advisor Services, Inc., conducted the business as a sole proprietorship). Throughout this disclosure brochure, Hudson Advisor Services, Inc. is referred to as “Hudson Advisor Services”.

The principal owners of Hudson Advisor Services are William N. Hudson, Jr. and Frances Hudson.

Services

Hudson Advisor Services provides comprehensive investment management services. Through personal discussions, during which goals and objectives based on a client's particular circumstances are established, Hudson Advisor Services and the client agree on guidelines that quantify the client's risk profile and investment objectives. If requested by the client, Hudson Advisor Services will include outside investments (*e.g.*, investments not directly managed by Hudson Advisor Services) for allocation and planning purposes. Thereafter, Hudson Advisor Services creates and manages a customized portfolio based on that profile, allocating the client's assets among various investments while taking into consideration the client's risk tolerance.

Investment management services may include some or all of the following components (as applicable):

Record Keeping Services

This service includes maintaining asset, liability, income and expense ledgers.

Tax Services

This service includes ongoing tax planning and preparation of client tax returns (with the assistance of a Certified Public Accounting firm).

Asset Management Services

This service includes monitoring the status and valuation of a client's personal and real property in order to recommend changes when, in the opinion of Hudson Advisor Services' principals, conditions indicate it is necessary or desirable.

Sub-Advisory Services

This service includes selecting one or more independent money managers to serve as investment manager(s) of all or a portion of a client's assets. These independent money managers may either be registered investment advisers or firms that are not

required to register with federal or state securities authorities.

The selection of a specific independent money manager for a client is based on the client's goals, objectives and asset allocation decisions. Each investment manager selected will implement a specific investment strategy and philosophy that individually, or combined with other independent money managers or the assets managed by Hudson Advisor Services, will serve to meet the client's asset allocation decisions and advance the client's objectives.

Each independent money manager will have discretion to manage client assets by investing in various equity and fixed income securities. Hudson Advisor Services will monitor the organization, investment philosophy and performance of each independent money manager as well as the economy, investment climate and competitive market conditions for the securities being managed. As a result, Hudson Advisor Services will provide ongoing management services with respect to the client's investment assets. Over time, Hudson Advisor Services may make recommendations to a client regarding proposed changes in the selection of an independent money manager.

Special Services

This service includes managing tax-deferred plans, assisting in insurance programming and/or responding to the specialized needs or objectives of a client. When required, either upon Hudson Advisor Services' recommendation, or at the request of the client, Hudson Advisor Services will engage counsel, accountants, real estate agents or other professionals to render services in connection with a particular matter for a client.

Hudson Advisor Services will manage advisory accounts on either a discretionary or non-discretionary basis. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on the client's behalf.

Our Assets Under Management

As of December 31, 2011, the total amount of client assets managed by Hudson Advisor Services is approximately \$235,000,000. Of this total amount, \$145,000,000 of client assets are managed on a discretionary basis and \$90,000,000 of client assets are managed on a non-discretionary basis.

FEES AND COMPENSATION

The annual fee for Investment Management Services is charged as a percentage of assets under management and will not exceed 2.00% of the value of the client's portfolio. The actual fee charged will depend on the account size and complexity of services provided. Details of the investment advisory fee charged are more fully described in the advisory agreement entered into with each client.

Clients will be billed either monthly or quarterly in arrears based upon the prior month's closing value of the client's account. Certain existing client accounts will be

billed based on the client's brokerage statement pro rated for deposits and withdrawals (based on a ninety (90) day quarter). For private investments, including alternative investments such as hedge funds, Hudson Advisor Services will use the most recent valuation provided by the private investment manager and carry forward that valuation to the next valuation period.

For the initial calendar quarter, fees will be adjusted pro rata based upon the number of calendar days in the calendar quarter that the advisory agreement was effective. Fees are earned as of the commencement of the investment advisory agreement and are prorated when assets were not managed for the entire quarter.

At the option of the client, fees may be paid directly by the client or Hudson Advisor Services can bill the custodian so the fee is paid directly from the client's account.

Important Additional Fee Information

Fees Negotiable

Hudson Advisor Services retains the right to modify fees, including minimum account sizes, in its sole and absolute discretion, on a client-by-client basis based on the size, complexity and nature of the advisory services provided. In addition, family accounts and accounts controlled by the same client are often combined for the purpose of computing the fee.

Direct Debiting of Client Accounts

In order for Hudson Advisor Services' advisory fees to be directly debited from a client's account, the client must provide written authorization permitting Hudson Advisor Services to bill the custodian. In addition, the account must be held by a qualified custodian and the qualified custodian must agree to send to the client an account statement on at least a quarterly basis. The account statement must indicate all amounts disbursed from the account including the amount of advisory fees paid directly to Hudson Advisor Services.

Clients are informed that it is their responsibility to verify the accuracy of the fee calculation and that the account custodian will not determine whether the fee is properly calculated.

Termination of Client Relationship

The investment management contract is ongoing and does not have a fixed term. The client may terminate the advisory contract at any time upon written notice to Hudson Advisor Services. As Hudson Advisor Services charges fees in arrears, no refund will be due clients upon termination of the investment management agreement.

Related Accounts

Certain related accounts (e.g., the accounts of family members) may pay a fixed fee for advisory services. This option is limited to related accounts and is not currently offered to non-related accounts.

Mutual Fund Fees

All fees paid to Hudson Advisor Services for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge.

A client could invest in a mutual fund directly, without the services of Hudson Advisor Services. In that case, the client would not receive the services provided by Hudson Advisor Services which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives.

To the extent that client assets are invested in money market funds or cash positions, the fees for monitoring those assets are in addition to the fees included in the internal expenses of those funds paid to their own investment managers, which are fully disclosed in each fund's prospectus. Accordingly, the client should review both the fees charged by the funds and the fees charged by Hudson Advisor Services to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Trading and Other Costs

All fees paid to Hudson Advisor Services for investment advisory services are separate and distinct from transaction fees charged by broker-dealers associated with the purchase and sale of equity securities and options. Please see the section entitled "Brokerage Practices" on page __ of this disclosure brochure for additional information on brokerage and other transaction costs.

Professional Fees

Fees do not include the services of any co-fiduciaries, accountants, broker dealers or attorneys. Accordingly, the fees of any additional professionals engaged by a client, will be billed directly by such professional(s).

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Hudson Advisor Services does not accept performance-based fees (e.g., fees based on a share of capital gains on or capital appreciated of the assets in a client's account).

TYPES OF CLIENTS

Hudson Advisor Services provides investment advisory services to individuals (including high net worth individuals), pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other types of business entities.

Engaging the Services of Hudson Advisor Services

All clients wishing to engage Hudson Advisor Services for investment advisory services must sign an investment management agreement that governs the relationship with Hudson Advisor Services. The investment management agreement describes the services and responsibilities of Hudson Advisor Services to the client. It also outlines Hudson Advisor Services' fee in detail.

In addition to completing Hudson Advisory Services' internal documents, clients must complete certain broker-dealer/custodial documentation. Upon completion of these documents, Hudson Advisory Services will be considered engaged by the client. A client has an ongoing responsibility for ensuring that Hudson Advisory Services is informed in a timely manner of changes in the client's investment objectives and risk tolerance.

Conditions for Managing Accounts

Hudson Advisor Services requires new clients to have a minimum account of \$1,000,000, although Hudson Advisor Services retains the right to reduce or waive this minimum account size. Accounts of less than \$1,000,000 may be set up when the client and Hudson Advisor Services anticipate the client will add additional funds to the accounts bringing the total to \$1,000,000 within a reasonable time.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment Committee

Hudson Advisory Services' investment committee is comprised of William N. Hudson, Jr., William Hudson, III, David Burrows and Jeremy Hudson. While review of current investments and investment opportunities is an ongoing process, the investment committee meets formally on at least a quarterly basis.

Types of Investments

In General

Investment advice may be offered on any investments held by a client at the start of the advisory relationship. Recommendations for new investments will typically be limited to domestic and foreign equity securities, warrants, commercial paper,

corporate debt securities, certificates of deposit, municipal and United States government securities, mutual funds, options and interests in partnerships in oil and gas.

In addition, Hudson Advisor Services will, from time to time, recommend investments in alternative investments (e.g., commodities, futures, hedge funds; funds of hedge funds, private equity, venture capital investments or other types of limited partnerships) when it is appropriate for a client. In certain instances, these alternative investments may be the only investment vehicle a manager offers or such alternative investment may be the only economical method to access the investment skills of a particular manager.

Please see the additional disclosures under the heading “Risk” for information about the material risks involved in investing in alternative investments.

Initial Public Offerings

In cases where a client’s risk profile is more aggressive, Hudson Advisory Services may invest in initial public offerings (IPOs). Clients are informed at the start of the advisory relationship that IPOs are only available to clients whose assets are held in custody at JP Morgan. Clients with assets in custody elsewhere are offered the opportunity to open a trading account at JP Morgan in order to participate in IPO investments. Please see the section entitled “Brokerage Practices” on page __ of this disclosure brochure for additional information on allocation of IPO opportunities.

Investment Strategies

Hudson Advisor Services may utilize different investment strategies, based upon the needs of the client, including long-term purchases, short-term purchases, trading, short sales, margin transactions and option writing.

Security Analysis

The security analysis method employed by Hudson Advisor Services is essentially fundamental although technical and cyclical factors are considered.

In addition, the principals of Hudson Advisor Services work closely with individuals in selected investment firms, whom they believe are particularly well-qualified in tracking the macroeconomic scene and trends within industry sections. Security selection is done by consensus of the principals of Hudson Advisor Services after analysis of the information gathered (please see the “Sources of Information” section below).

Sources of Information

In conducting security analysis, Hudson Advisor Services may utilize the following sources of information: financial newspapers and magazines, research materials prepared by others, inspection of corporate activities, corporate rating services,

annual reports, prospectuses, filings with the U.S. Securities and Exchange Commission and company press releases.

Risk

In General

Investing in securities involves risk of loss that each client should be prepared to bear. Typical investment risks include market risk typified by a drop in a security's price due to a company specific event (e.g. unsystematic risk), or general market activity (e.g., systematic risk). In addition, certain strategies may impose more risk than others. For example, with fixed income securities, a period of rising interest rates could erode the value of bond since bond values generally fall as bond yields rise. Investment risk with international equities also includes fluctuation in currency values, differences in accounting and economic and political instability.

Options

There are numerous risks associated with transactions in options on securities or securities indexes. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events. As the writer of covered call options, the client forgoes, during the option's life, the opportunity to profit from increases in the market value of the underlying security or the index above the sum of the option premium received and the exercise price of the call, but has retained the risk of loss, minus the option premium received, should the price of the underlying security decline.

In the case of index options, the client incurs basis risk between the performance of the underlying portfolio and the performance of the underlying index. For example, the underlying portfolio may decline in value while the underlying index may increase in value, resulting in a loss on the call option while the underlying portfolio declines as well.

Alternative Investments

Alternative investments generally involve various risk factors and liquidity constraints, a complete discussion of which is set forth in the offering documents of each specific alternative investment, which will be provided to each prospective investor for review and consideration. Each investor will be required to complete a subscription agreement, pursuant to which the investor shall establish that they are qualified for investment in that alternative investment, and acknowledges and accepts the various risk factors that are associated with such an investment.

Margin Transactions

When buying stocks on margin, you are employing leverage as an investing strategy. Leverage allows you to extend your financial reach by investing using borrowed

funds while limiting the amount of your own cash you expend. This can, however, involve a high degree of risk. Some of these risks include:

- Losing more money than you have invested;
- Being required to deposit additional cash or securities in your account on short notice to cover market losses;
- Being forced to sell some or all of your securities when falling stock prices reduce the value of your securities; and
- Having your brokerage firm sell some or all of your securities without consulting you to pay off the loan it made to you.

Cash Management

Cash balances in client accounts are typically invested in money market mutual funds. These cash balances are included in the account market value for the computation of the investment management fee. Hudson Advisor Services will not, however, charge a fee on large cash balances that may result from an excessive inflow of cash.

Frequent Trading and Investment Performance

Strategies involving frequent trading of securities can affect investment performance through increased brokerage and other transaction costs and taxes.

DISCIPLINARY HISTORY

Neither Hudson Advisor Services nor any of its supervised persons have any reportable disciplinary history.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Hudson Advisor Services has outsourced certain back office functions to Miller, Gesko & Company, Inc., an SEC-registered investment adviser ("MGC"). Hudson Advisor Services and MGC also share office space. There is no conflict of interest as the relationship with MGC does not affect fees paid by Hudson Advisor Services' clients.

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

Our Code of Ethics

Hudson Advisor Services has adopted a Code of Ethics to prevent violations of federal securities laws. The Code of Ethics is predicated on the principle that Hudson Advisor Services and its employees owe a fiduciary duty to its clients.

Accordingly, Hudson Advisor Services expects all employees to act with honesty, integrity and professionalism and to adhere to federal securities laws. Hudson Advisor Services and its employees are required to adhere to the Code of Ethics. At all times, Hudson Advisor Services and its employees must (i) place client interests ahead of Hudson Advisor Services'; (ii) engage in personal investing that is in full compliance with Hudson Advisor Services' Code of Ethics; and (iii) avoid taking advantage of their position. Clients and prospective clients may request a copy of Hudson Advisor Services' Code of Ethics by contacting Jeremy Hudson, Chief Compliance Officer of Hudson Advisor Services at 716-852-7628.

Prohibition on Use of Insider Information

Hudson Advisor Services has also adopted policies and procedures to prevent the misuse of "insider" information. A copy of Hudson Advisor Services' Insider Trading policies and procedures is available to any client or prospective client upon request. For a copy of Hudson Advisor Services' Insider Trading policies and procedures, please contact Jeremy Hudson, Chief Compliance Officer of Hudson Advisor Services at 716-852-7628.

Participation or Interest in Client Transactions

Hudson Advisor Services or individuals associated with Hudson Advisor Services may buy, sell, or hold in their personal accounts the same securities that Hudson Advisor Services recommends to its clients.

It is possible that associated persons of Hudson Advisor Services may have a financial interest, directly or indirectly, in a class of security that is also in clients' portfolios. Where Hudson Advisor Services' stock selection indicates that it is appropriate to sell that particular class of security (as opposed to when client's individual needs dictate), client securities will be sold prior to or simultaneously with the sale of securities of the same class in which any of Hudson Advisor Services' associated persons have a financial interest. Similarly, any new purchase of a class of security on behalf of a client will be effected prior to or simultaneously with any purchase of a security of the same class effected, directly or indirectly, on behalf of any of Hudson Advisor Services' associated persons.

Hudson Advisor Services and its associated persons may purchase or sell specific securities for their account based on personal investment consideration without regard to whether the purchase or sale of such security is appropriate for clients.

BROKERAGE PRACTICES

Best Execution

Best execution has been defined by the SEC as the "execution of securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances." The best execution responsibility applies to the circumstances of each particular transaction and an

investment adviser must consider the full range and quality of a broker-dealer's services, including, among other things, execution capability, commission rates, the value of any research, financial responsibility and responsiveness.

When placing portfolio transactions for client accounts, Hudson Advisor Services' primary objective is to obtain the best price and best execution, taking into account the costs, promptness of execution and other qualitative considerations.

Broker Analysis

Hudson Advisor Services evaluates a wide range of criteria in seeking the most favorable price and market for the execution of transactions. These include the broker-dealer's trading costs, efficiency of execution and error resolution, financial strength and stability, capability, positioning and distribution capabilities, information in regard to the availability of securities, trading patterns, statistical or factual information, opinion pertaining to trading and prior performance in serving Hudson Advisor Services.

Also in consideration is such broker-dealers' provision or payment of the costs of research and other investment management-related services (the provisional payment of such costs by brokers are referred to as payment made by "soft dollars", as further discussed in the "Research/Soft Dollars Benefits" section immediately below). Accordingly, if Hudson Advisor Services determines in good faith that the amount of trading costs charged by a broker-dealer is reasonable in relation to the value of the brokerage and research or investment management-related services provided by such broker, the client may pay trading costs to such broker in an amount greater than the amount another broker might charge.

Hudson Advisor Services' Chief Compliance Officer is responsible for continuously monitoring and evaluating the performance and execution capabilities of broker-dealers that transact orders for our client accounts to ensure consistent quality executions. In addition, Hudson Advisor Services periodically reviews its transaction costs in light of current market circumstances and other relevant information.

Research/Soft Dollar Benefits

Overview

Hudson Advisor Services' use of soft dollars is intended to comply with the requirements of Section 28(e) of the Securities Exchange Act of 1934. Section 28(e) provides a "safe harbor" for investment managers who use commissions or transaction fees paid by their advised accounts to obtain investment research services that provide lawful and appropriate assistance to the manager in performing investment decision-making responsibilities.

As required by Section 28(e), Hudson Advisor Services will make a good faith determination that the amount of commission or other fees paid is reasonable in relation to the value of the brokerage and research services provided. That is, before placing orders with a particular broker, Hudson Advisor Services will generally determine, considering all the factors described below, that the compensation to be

paid to the broker is reasonable in relation to the value of all the brokerage and research products and services provided by the broker.

In making this determination, Hudson Advisor Services will typically consider not only the particular transaction or transactions, and not only the value of brokerage and research services and products to a particular client, but also the value of those services and products in Hudson Advisor Services' performance of its overall responsibilities to all of its clients. In some cases, the commissions or other transaction fees charged by a particular broker-dealer for a particular transaction or set of transactions may be greater than the amounts another broker-dealer who did not provide research services or products might charge.

Broker-Dealers

Hudson Advisor Services participates in TD Ameritrade's institutional customer program, sponsored by TD Ameritrade, Inc. ("TDA"), a FINRA registered broker dealer and the Fidelity Institutional Wealth Services Group ("Fidelity") program, sponsored by Fidelity Brokerage Services, Inc., a FINRA registered broker dealer. Hudson Advisor Services may recommend TD Ameritrade and/or Fidelity to clients for custody and brokerage services.

There is no direct link between Hudson Advisor Services' participation in the TDA or Fidelity programs and the investment advice it gives to its clients, although Hudson Advisor Services receives economic benefits through its participation in these programs that are typically not available to retail investors, including the following products and services (provided without cost or at a discount):

- Receipt of duplicate client statements and confirmations;
- Research related products and tools;
- Consulting services; access to a trading desk serving adviser participants;
- Access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts);
- The ability to have advisory fees deducted directly from client accounts;
- Access to an electronic communications network for client order entry and account information;
- Access to mutual funds with no transaction fees and to certain institutional money managers; and
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to Hudson Advisor Services by third party vendors.

TDA and/or Fidelity may also have paid for business consulting and professional services received by Hudson Advisor Services' related persons. Some of the products and services made available through the TDA and Fidelity programs may benefit Hudson Advisor Services but may not benefit its client accounts. These products or services may assist Hudson Advisor Services in managing and administering client accounts, including accounts not maintained at these broker-dealers. Other services made available by these broker-dealers are intended to help Hudson Advisor Services manage and further develop its business enterprise.

The benefits received by Hudson Advisor Services or its personnel through participation in the TDA and Fidelity programs do not depend on the amount of brokerage transactions directed to these broker-dealers. As part of its fiduciary duties to clients, Hudson Advisor Services endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Hudson Advisor Services or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Hudson Advisor Services' choice of these broker-dealers for custody and brokerage services.

Brokerage Selection

Hudson Advisor Services Discretion

For those clients that grant Hudson Advisor Services discretionary brokerage authority, Hudson Advisor Services is authorized by the client to select the broker or dealer to be used and to determine the commission rate paid. Hudson Advisor Services will utilize the brokerage and clearing services of Fidelity Brokerage Services, Inc., TD Ameritrade, Inc. and/or JP Morgan.

Please see the disclosures in the "Best Execution" and "Broker Analysis" sections beginning on page 10 of this disclosure brochure for additional information on the criteria used by Hudson Advisor Services to select client brokerage.

Hudson Advisor Services Directed Brokerage

For those clients for which Hudson Advisor Services does not have the discretionary authority to determine the broker-dealer to be used, Hudson Advisor Services will recommend the use of Fidelity Brokerage Services, Inc., TD Ameritrade, Inc. and/or JP Morgan.

Hudson Advisor Services does not participate in any transaction fees or commissions paid to the broker dealer or custodian and does not receive any fees or commissions for the opening or maintenance of client accounts at recommended brokers.

Not all investment advisers require their clients to direct brokerage. Hudson Advisor Services is required to disclose that by directing brokerage, Hudson Advisor Services may not be able to achieve most favorable execution of client transactions and that this practice may cost clients more money.

Client Directed Brokerage

Certain clients may direct Hudson Advisor Services to use particular brokers for executing transactions in their accounts. With regard to client directed brokerage, Hudson Advisor Services is required to disclose that Hudson Advisor Services may be unable to negotiate commissions, block or batch orders or otherwise achieve the benefits described above, including best execution. Directed brokerage commission rates may be higher than the rates Hudson Advisor Services might pay for transactions in non-directed accounts. Therefore, directing brokerage may cost clients more money.

Hudson Advisor Services encourages each client to compare the possible costs or disadvantages of directed brokerage against the value of custodial or other services provided by the broker to the client in exchange for the directed brokerage designation.

Trade Aggregation/Allocation

In General

It is the objective of Hudson Advisor Services to provide a means of allocating trading and investment opportunities between advisory clients on a fair and equitable basis and in compliance with all applicable state and federal guidelines. With respect to clients' accounts with substantially similar investment objectives and policies, Hudson Advisor Services may often seek to purchase or sell a particular security in each account. Hudson Advisor Services will aggregate orders only when such aggregation is consistent with Hudson Advisor Services' duty to seek best execution and is consistent with the investment objective of each client. No client account will be unfairly favored over any other account. Each client that participates in an aggregated order will participate based on the average execution price in that particular security. All transaction costs will be allocated pro rata based on each client's participation in the transaction. All securities purchased or sold, whether the order is filled completely or partially, will then be allocated pro rata based on the assets of each account.

Initial Public Offerings

At the time which a new issue is offered, Hudson Advisory Services reviews the deal specifics. After due diligence is satisfied, Hudson Advisory Services will review all client portfolios who are eligible to participate in each deal (based upon cash balances, asset allocation, client approval brokerage account, etc.).

Trade Errors

Trade errors are promptly reported to the broker-dealer/custodian and will be rectified by the broker-dealer/custodian with no adverse financial effect on the client.

REVIEW OF ACCOUNTS

Reviews

All investment policy, general stock selections and major review of advisory accounts are conducted jointly by an investment committee consisting of William Hudson, Jr., William Hudson, III, Jeremy Hudson and David Burrows. Close personal contact with advisory clients is regularly maintained. Functionally, there exists an informal “area of concentration” on a day-to-day basis.

Hudson Advisor Services has a proprietary research process focusing on fundamental information to analyze securities..

Reports

Clients will receive statements from the custodian at least quarterly. A Client will elect the settings for which documents the custodian will send and how often such documents will be sent with the client’s particular custodian. In addition, Hudson Advisor Services will send each client a quarterly portfolio report.

CLIENT REFERRALS AND OTHER COMPENSATION

From time to time, Hudson Advisor Services may retain solicitors to refer investors. If a client is introduced to Hudson Advisor Services by either an unaffiliated or an affiliated solicitor, Hudson Advisor Services may pay that solicitor a referral fee in accordance with the all requirements of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from Hudson Advisor Services’ management fees, and shall not result in any additional charge to the client.

If the client is introduced to Hudson Advisor Services by an unaffiliated solicitor, the solicitor must, at the time of the solicitation:

1. Disclose the nature of their solicitor relationship;
2. Provide each prospective client with a copy of the Hudson Advisor Services written disclosure brochure;
3. Provide each prospective client a copy of the solicitor’s written disclosure statement that discloses the terms of the solicitation arrangement between Hudson Advisor Services and the solicitor, including the compensation to be received by the solicitor.

Any affiliated solicitor of Hudson Advisor Services shall disclose the nature of their relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of this written disclosure statement.

CUSTODY

Hudson Advisor Services is deemed to have custody because Hudson Advisor Services deducts its fees directly from client accounts.

Custody of client assets will be maintained with the independent custodian selected by the client. Hudson Advisor Services will not have physical custody of any assets in the client's account except as permitted for payment of advisory fees. Clients will be solely responsible for paying all fees or charges of the custodian. Clients will authorize Hudson Advisor Services to give the custodian instructions for the purchase, sale, conversion, redemption, exchange or retention of any security, cash or cash equivalent or other investment for the client's account.

Clients will receive directly from the custodian at least quarterly a statement showing all transactions occurring in the client's account during the period covered by the account statement, and the funds, securities and other property in the client's account at the end of the period. Clients are urged to carefully review account statements sent by their broker-dealer/custodian and to compare the account statement provided by the broker-dealer/custodian with any statements provided by Hudson Advisor Services.

INVESTMENT DISCRETION

For those client accounts over which Hudson Advisor Services has discretion, Hudson Advisor Services requests that it be provided with written authority (e.g., limited power of attorney contained in Hudson Advisor Services' Investment Management Agreement) to determine the amounts of securities that are bought or sold. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change or amend these limitations as required. All such amendments shall be submitted in writing.

Hudson Advisor Services generally has discretionary authority to make the following determinations without obtaining the consent of the client before the transactions are effected: (1) which securities are bought and sold for the account; (2) the total amount of securities to be bought and sold; (3) the broker or dealer to be used; and (4) the commission rates paid. Hudson Advisor Services' authority in making investment related decisions may be limited by account guidelines, investment objectives and trading restrictions, as agreed between Hudson Advisor Services and the client.

VOTING CLIENT SECURITIES

Proxy Voting

Hudson Advisor Services does not vote proxies on behalf of its clients. Therefore, although Hudson Advisor Services may provide investment advisory services relative to client investment assets, it is the client that maintains exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceeding or other type events pertaining to the client's investment assets. Hudson Advisor Services and/or the client shall correspondingly instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. Clients can contact Jeremy Hudson, Chief Compliance Officer of Hudson Advisor Services, at 716-852-7628 if they have questions regarding a particular solicitation.

Class Action Settlements

Although Hudson Advisor Services may have discretion over client accounts, it will not be responsible for handling client claims in class action lawsuits or similar settlements involving securities owned by the client. Clients will receive the paperwork for such claims directly from their account custodians. Each client should verify with their custodian or other account administrator whether such claims are being made on the client's behalf by the custodian or if the client is expected to file such claims directly. Hudson Advisor Services may review class action settlements on a case by case basis, but the client will make the direct decisions regarding these notices.

FINANCIAL INFORMATION

Prepayment of Fees

Because Hudson Advisor Services does not require or accept prepayment of more than \$1,200 in fees six months or more in advance, Hudson Advisor Services is not required to include a balance sheet with this disclosure brochure.

Financial Condition

Hudson Advisor Services does not have any adverse financial conditions to disclose.

Bankruptcy

Hudson Advisor Services has never been the subject of a bankruptcy petition.

PRIVACY NOTICE

Hudson Advisor Services views protecting its clients' private information as a top priority and has instituted policies and procedures to ensure that client information is private and secure. Hudson Advisor Services does not disclose any nonpublic personal information about its clients or former clients to any nonaffiliated third

parties, except as permitted or required by law. In the course of servicing a client's account, Hudson Advisor Services may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers, etc. Hudson Advisor Services restricts internal access to nonpublic personal information about the client to those persons who need access to that information in order to provide services to the client and to perform administrative functions for Hudson Advisor Services. As emphasized above, it has always been and will always be Hudson Advisor Services' policy never to sell information about current or former clients or their accounts to anyone. It is also Hudson Advisor Services' policy not to share information unless required to process a transaction, at the request of a client, or as required by law. For the full text of Hudson Advisor Services' Privacy Policy, please contact Jeremy Hudson, Chief Compliance Officer of Hudson Advisor Services, at 716-852-7628.

CLIENT COMPLAINTS

Clients may contact Jeremy Hudson, Chief Compliance Officer of Hudson Advisor Services, at 716-852-7628 to submit a complaint. Written complaints should be sent to Hudson Advisor Services, Inc., 237 Main Street, Buffalo, NY 14203.