

H. P. BECKER & Co.

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This brochure provides information about the qualifications and business practices of H. P. BECKER & CO. If you have any questions about the contents of this Brochure, please contact us at 847-948-1600. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

H. P. Becker & Co. is a registered investment adviser. H. Phillip Becker, the founder, has been a registered investment advisor for over 40 years. **Registration of an Investment Adviser does not imply a certain level of skill or training.** The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about H. P. Becker & Co. also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated March, 2012 is a new document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

Currently, our brochure may be requested by contacting Rita Bergquist, VP at 847-948-1600 or Rita@hpbeckerco.com.

Additional information about H. P. Becker & Co. is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with H. P. Becker & Co who are registered, or are required to be registered, as investment adviser representatives of H. P. Becker & Co.

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Item 4 – Advisory Business

H. P. Becker & Co. has been a registered investment advisory firm since 1992. The founder and principal owner is H. Phillip Becker. Mr. Becker has been an R.I.A. since 1968.

In addition to Mr. Becker, Mr. Harold M. Rosen, joined the firm in 2000 and serves as Executive Vice President.

Our firm provides the following services:

1. Investment Advisory (99%)
2. Consulting Investment Services (1%)

We generally provide investment advice to:

- A. Individuals
- B. Pension and Profit Sharing Plans
- C. Trusts, Estates, or Charitable Organizations
- D. Corporations or business entities other than those listed above.

We do not participate in any “wrap” programs at this time.

H P Becker & Co. tailors its advisory services to the individual needs of each Client. We provide advice on asset allocation, portfolio structuring based on the risk profile of each client, and any other unique circumstances of each client. (An example would be a client with a large concentration of one stock. Particular strategies are available for this type of client)

H. P. Becker & Co. has discretionary management on between \$50 and \$100 million of client’s assets. We advise clients who have in excess of \$100 million on a non-discretionary basis. These clients only add to our discretionary management as assets are sold, distributed, or monetized.

H. P. Becker & Co. has only one office in Illinois located in Riverwoods.

Item 5 – Fees and Compensation

Our regular fees are based on assets under management. This includes stocks, bonds and cash equivalents.

Fees for regular investment advisory services are:

- | | | |
|----|------------------------------|-------------|
| 1. | <i>The first \$2 million</i> | <i>1.5%</i> |
| 2. | <i>\$2 to \$5 million</i> | <i>1.0%</i> |
| 3. | <i>Over \$5 million</i> | <i>.75%</i> |

Fees for advisory services that utilize options trading are slightly higher:

- | | | |
|----|------------------------------|-------------|
| 1. | <i>The first \$2 million</i> | <i>2.0%</i> |
| 2. | <i>\$2 to \$5 million</i> | <i>1.5%</i> |
| 3. | <i>Over \$5 million</i> | <i>1.0%</i> |

Consultation Fees:

A retainer of \$2,000 and a usual minimum of 5 months is our normal consulting agreement. Clients who request anonymity with regard to their asset holdings might retain our firm to act as a consultant. We then provide trade ideas on macro- and micro-economic model. Specific trade ideas are given in writing, by internet or orally on a regular basis. We do not usually know what the consulting clients do with this information.

Fees are usually not subject to negotiation.

The specific manner in which fees are charged by H P Becker & Co. is established in a client's written agreement with H P Becker & Co. H P Becker & Co. will generally bill its fees on a quarterly basis. Clients may elect to be billed in advance or arrears each calendar quarter. Clients may also elect to be billed directly for fees or to authorize H P Becker & Co. to directly debit fees from client accounts. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). ***Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.*** Clients also have the option of being billed at the end of the month for services already performed.

H P Becker & Co.'s fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to H P Becker & Co.'s fee, and H P Becker & Co. shall not receive any portion of these commissions, fees, and costs.

Pursuant to Section 130.846 of the Rules “an advisory client has a right to terminate the contract without penalty within five (5) business days after entering into the contract.”

Item 12 further describes the factors that H P Becker & Co. considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Item 6 – Performance-Based Fees and Side-By-Side Management

If we were to charge ‘performance-based fees’ then it would be in accordance with the exceptions to the prohibition on performance based fees contained in Section 205(b) of the Investment Advisers Act of 1940, as amended (the “Advisers Act”) and Rule 205-3 under the Advisers Act. Clients may pay H P Becker & Co. an incentive fee/bonus fee that is tied to the performance of part or all of the portfolio relative to a predefined benchmark. This type of fee will only be utilized with qualified clients* and such fees are subject to individualized negotiation with each such client. Again, H P Becker & Co. will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Advisers Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. In measuring clients' assets for the calculation of performance-based fees, H P Becker & Co. shall include realized and unrealized capital gains and losses. Performance based fee arrangements may create an incentive for H P Becker & Co. to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements may also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. H P Becker & Co. has procedures designed and implemented to

ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

*SEC Section 205-3: "Qualified Client" pursuant to SEC Section 205-3 means:

(i) A natural person who or a company that immediately after entering into the contract has at least \$1,000,000 under the management of the investment adviser;

(ii) A natural person who or a company that the investment adviser entering into the contract (and any person acting on his behalf) reasonably believes, immediately prior to entering into the contract, either:

(A) Has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than \$2,000,000, at the time the contract is entered into; or

(B) Is a qualified purchaser as defined in section 2(a)(51)(AA) of the Investment Company Act of 1940 (15U.S.C. 80a-2(51)(A)) at the time the contract is entered into; or

(iii) A natural person who immediately prior to entering into the contract is:

(A) An executive officer, director, trustee, general partner or person serving in similar capacity, of the investment adviser; or

(B) An employee of the investment adviser (other than an employee performing solely clerical, secretarial or administrative functions with regard to the investment adviser) who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar functions or duties for or on behalf of another company for at least 12 months.

Item 7 – Types of Clients

H. P. Becker & Co. provides or has provided portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments, private investment funds, trust programs, and other institutions.

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

“Investing in securities involves risk of loss that clients should be prepared to bear.”

H. P. Becker & Co. methods include but are not limited to:

1. Charting
2. Fundamental Analysis
3. Technical
4. Cyclical
5. Timing

The main sources of information Advisor uses include:

1. Financial newspapers and magazines
2. Inspections of corporate activities
3. Research material prepared by others
4. Corporate rating services
5. Annual reports, prospectuses, filings with the S.E.C.
6. Company press releases
7. World wide web

Advisors investment strategies used to implement any investment advice given to clients include:

1. Long term purchases (securities held more than one year)
2. Short term purchases (securities held less than one year)
3. Trading (securities sold within 30 days)

4. Short sales (rarely or via use of options)
5. Margin transactions (option trading)

H P Becker & Co. does not guarantee (i) that Client's assets will not decline in value, (ii) any specific level of performance of Client's assets, (iii) the success of any investment strategy employed or investment decision made by our portfolio managers or (iv) the success of the overall portfolio of Client's assets.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of H P Becker & Co. or the integrity of H P Becker & Co's management. Neither H P Becker & Co nor any of its principals have ever been subject to any legal or disciplinary action.

Item 10 – Other Financial Industry Activities and Affiliations

H P Becker & Co. has no other financial industry activities or affiliations.

However, Mr. Becker is considered a litigation expert in matters of securities, commodities and options fraud and occasionally is called to testify.

Any conflicts with clients are fully disclosed if at all applicable.

Item 11 – Code of Ethics

H. P. Becker & Co. has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised

persons at H P Becker & Co. must acknowledge the terms of the Code of Ethics annually, or as amended.

H P Becker & Co. anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which H P Becker & Co. has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which H P Becker & Co., its affiliates and/or clients, directly or indirectly, have a position of interest. H P Becker & Co.'s employees and persons associated with H P Becker & Co. are required to follow H P Becker & Co.'s Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of H P Becker & Co. and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for H P Becker & Co.'s clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of H P Becker & Co. will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of H P Becker & Co.'s clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between H P Becker & Co. and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with "Adviser's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. H P Becker & Co. will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

H P Becker & Co. clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Rita Bergquist.

It is H P Becker & Co.'s policy that the firm will not affect any principal or agency cross securities transactions for client accounts. H P Becker & Co. will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between one client account and another client account.

Item 12 – Brokerage Practices

H P Becker & Co. is not a broker-dealer, and we do not share in any commissions of clients' brokers.

Item 13 – Review of Accounts

H. P. Becker & Co. reviews all accounts and the positions on an ongoing basis. Assistants also review accounts for allocation. Reviews are made based upon macroeconomic factors, fundamental and technical analysis, ongoing research and our expectations regarding the aforementioned. Should conditions warrant large scale (50% or more) changes in a client account, H. P. Becker & Co. will attempt to discuss same with the client in advance.

Every client of H P Becker & Co. is provided with a monthly schedule of holdings detailing client positions including title, quantity, cost and market value. Each client also receives confirmations for each transaction entered in their account and monthly statement from their broker/custodian.

If requested H P Becker & Co. will provide reports showing (a) Realized Gains and/or Losses (b) a 1099 report, and (c) any other management reports that the client desires including but not limited to performance returns.

Item 14 – Client Referrals and Other Compensation

Currently H P Becker & Co. does not pay any referral fees. However, it is possible that new client referrals from individuals or firms that are not affiliated with H P Becker & Co. may be compensated. Such compensation will conform to the solicitation rules of SEC rule 206(4)-3.

Item 15 – Custody

H P Becker & Co. does not maintain custody of Client's assets. Each Client is responsible for the selection of its own custodial institution and for directing its custodian to transfer monies or securities.

Clients usually receive monthly and at least quarterly statements from their broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. H P Becker & Co. urges Clients to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

H P Becker & Co. usually receives discretionary authority from the Client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, H P Becker & Co. observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions should be provided to H P Becker & Co. in writing.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, H P Becker & Co. does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. H P Becker & Co. may provide advice to clients regarding the clients' voting of proxies.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about H P Becker & Co.'s financial condition. H P Becker & Co. has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

As stated previously H P Becker & Co does not have custody of client funds or securities or require or solicit prepayment of more than \$500 in fees per client six months in advance.

Item 19 – Requirements for State Registered Advisers

The Principal Executive Officers of H P Becker & Co are: H. Phillip Becker, President and Harold M. Rosen, Executive Vice President.

The Principals of the firm have no other meaningful business activities. Mr. Becker is an attorney but does not practice law. He is an expert litigation witness in matters of securities, commodity and option fraud. Mr. Rosen is a CPA but does not practice accounting. See Item 10.

At the current time H P Becker & Co. has no Performance Based Fees. However if we were to institute such a fee arrangement we would do so in compliance with the requisites explained in prior section SIX (6).

Disclosure of Material Facts re Arbitration or Disciplinary Actions: There have never been any actions against any of the principals at any time in their business careers. See Item 9.

H P Becker & Co and its principals have NO material or immaterial relationships with any issuers of securities. See also Item 12.