

Part 2A of Form ADV: *Firm Brochure*

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03/30/2012
(revised 6/7/12)

This brochure provides information about the qualifications and business practices of L.F. Howard Associates, Inc.. If you have any questions about the contents of this brochure, please contact us at 617-292-2700 or HowAssociates@aol.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.

Additional information about L.F. Howard Associates, Inc. also was available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 109096. In the future information will be available from the Commonwealth of Massachusetts.

On or before June 28, 2012, L.F. Howard Associates, Inc. will move its registration from the SEC to the Massachusetts regulator at the Office of the Secretary of State Securities Division due to changes in the assets under management requirement for advisors managing under \$100 million pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Item 2 Material Changes

The SEC adopted "Amendments to Form ADV" in July, 2010. This Firm Brochure, dated 03/30/2012 (revised June 7, 2012), updates the cover page regarding the switch to Massachusetts and otherwise the only changes from the March 30, 2011 (revised July 28, 2011) brochure are adding page numbers and the assets in Item 4 which were updated and filed with the SEC on March 30, 2012 in accordance with the SEC's requirements. As you will see, this document is a narrative that is substantially different in form and content, and includes some new information that we were not previously required to disclose.

After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new 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. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

Item 3	Table of Contents	Page
Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	6
Item 6	Performance-Based Fees and Side-By Side Management	8
Item 7	Types of Clients	8
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9	Disciplinary Information	10
Item 10	Other Financial Industry Activities and Affiliations	11
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	11
Item 12	Brokerage Practices	13
Item 13	Review of Accounts	16
Item 14	Client Referrals and Other Compensation	17
Item 15	Custody	17
Item 16	Investment Discretion	17
Item 17	Voting Client Securities	18
Item 18	Financial Information	18

Item 4 Advisory Business

L.F. Howard Associates, Inc. is a SEC-registered investment adviser with its principal place of business located in Boston, Massachusetts.

Background. In 1978, after a career as a financial editor at the Journal of Commerce, a securities analyst and research director at Lewisohn and Co., General American Investors, and Lazard Frere, Leonard F. Howard, incorporated his investment management business as L.F. Howard Associates, Inc., a New York corporation. He advised individuals, families and charitable organizations while serving on boards including the J.M. and New York Foundations, Bank Street College of Education, Southern Railway (and its successor Norfolk Southern), Calvary Hospital, and the Scarsdale School Board.

In that same year, his daughter, Susanne C. Howard, now the sole owner of L.F. Howard Associates, Inc. was admitted to law practice in Massachusetts. She began a career in environmental law and real estate finance with several major Boston law firms, a national real estate pension fund advisor and a San Francisco based national conservation organization, as well as non-profit board service. In addition to her work at L.F. Howard Associates, Inc. she remains a member of the Massachusetts bar and serves as a personal trustee and executor. She also currently serves as a Director and Treasurer of Canute Corporation, a private mining holding company. The Brochure Supplement further sets forth her background.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company):

Susanne C. Howard

L.F. Howard Associates, Inc. offers the following advisory services to our clients:

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Certificates of deposit
- Municipal securities
- United States governmental securities
- Interests in real estate
- Interests in oil, gas and mining interests

Investment Advice also 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 items listed above with an emphasis on listed securities. While advising on mutual funds and exchange traded funds are not the principal part of our service, we do include some for diversity and cash management.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

CONSULTING SERVICES

Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area(s) of concern such as asset or securities review, estate planning, retirement planning, or any other specific topic or financial concern of the client.

Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. L.F. Howard Associates, Inc. is independent and not affiliated with any product or service, but may utilize the same services for its own account.

AMOUNT OF MANAGED ASSETS

As of 12/31/2011, we were actively managing \$33,699,062 of clients' assets on a discretionary basis plus \$1,197,009 of clients' assets on a non-discretionary basis, and overseeing \$24,178,879 of clients' assets being managed by others.

Item 5 Fees and Compensation

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT FEES

Our annual fees for Investment Supervisory Services are based upon a percentage of assets under management and generally range from 1% to .65%.

Generally, the annual fee for investment services will be charged as a percentage of assets under management, according to the standard:

Assets under management	Annual Fee (%)
First \$1 million	1.00 %
Next \$1 million	.85%
Next \$1 million	.75%
Over \$3 million	.65%

L.F. Howard Associates will quote an exact percentage to each client based on both the nature and dollar value of that account. The standard fee schedule may include a mix of managed and non managed accounts. Clients with whom L.F. Howard Associates, Inc. has longstanding relationships may not be subject to this fee schedule.

Clients may be invoiced in arrears at the end of each calendar quarter, semi-annually or annually, based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance) of the clients account at the end of the previous quarter, half year, or year.

The method of payment will be determined on a client-by-client basis. Separate transaction and custody fees are paid by the client directly to brokers and custodians. As noted below, mutual funds (including money market funds), exchange traded funds and recently some foreign companies held as ADRs have disclosed separate fees charged by the custodian directly to the client account.

Flat fees may also be available for client assets. The fees may be billed quarterly or semi-annually, but not more than six months in advance and are non refundable upon termination. Under no circumstances do we require or solicit payment of any fees more than six months in advance of services rendered.

A minimum of **\$1 million** of assets under management is required for this service. This account size may be negotiable under certain circumstances. L.F. Howard Associates, Inc. may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

As required, the fees charged by L.F. Howard Associates, Inc. combined with any fees charged by third party advisors for advisory services, will not exceed three percent of client's assets on an annual basis.

Limited Negotiability of Advisory Fees: Although L.F. Howard Associates, Inc. has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

CONSULTING SERVICES FEES

L.F. Howard Associates, Inc.'s Consulting Services fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Consulting Services fees are calculated and charged on an hourly basis, ranging from \$200 to \$400 per hour. An estimate for the total hours is determined at the start of the advisory relationship, and upon mutual agreement with the client, payable as earned, and billed monthly.

GENERAL INFORMATION

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. Fees paid in arrears, upon termination any account may be charged or debited from the account for the pro-rated amount due to L.F. Howard Associates, Inc. as of the date of said written notice.

Mutual Fund Fees: All fees paid to L.F. Howard Associates, Inc. for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs 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 our services. In that case, the client would not receive the services provided by our firm 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. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount

of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses: As noted above, in addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Retirement or ERISA Accounts: L.F. Howard Associates, Inc. may be deemed to be a fiduciary to advisory clients that have employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, L.F. Howard Associates, Inc. may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset L.F. Howard Associates, Inc.'s advisory fees.

L.F. Howard Associates, Inc. is independent of any "products" and do not receive any such prohibited commissions or fees.

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

L.F. Howard Associates, Inc. does not charge performance-based fees.

Item 7 Types of Clients

L.F. Howard Associates, Inc. provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Corporations or other businesses not listed above
- Other: Trusts, Estates

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Charting. In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is under priced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may under perform regardless of market movement.

Cyclical Analysis. In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Qualitative Analysis. We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Asset Allocation. Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

Susanne C. Howard a member of our firm's management, is an attorney licensed to practice law in the Commonwealth of Massachusetts. However, this individual does not currently provide direct legal services to any client in that capacity and will not be acting in this capacity for any advisory client of L.F. Howard Associates, Inc. without specific agreement with the client.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including placing the interests of clients ahead of their own and compliance with applicable federal securities laws.

L.F. Howard Associates, Inc. and our personnel owe a duty of loyalty, good faith and fair dealing towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and record keeping provisions.

L.F. Howard Associates, Inc.'s Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to HowAssociates@aol.com, or by calling us at 617-292-2700.

L.F. Howard Associates, Inc. and individuals associated with our firm are prohibited from engaging in principal transactions.

L.F. Howard Associates, Inc. and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees 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.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. Principals or employees of our firm are prohibited from trading securities for their personal portfolio(s) or on behalf of others while in possession of material non-public information regarding such securities or communicating material non-public information to others.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This theoretically prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.

5. We maintain a list of all reportable securities holdings for our firm and any employees of this advisory practice who has access to advisory recommendations ("access person").
6. These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
7. We have established procedures for the maintenance of all required books and records.
8. Clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
9. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
10. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
11. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
12. Any individual who violates any of the above restrictions may be subject to termination.

Item 12 Brokerage Practices

Unless otherwise requested by the client in writing, on discretionary and non-discretionary accounts, pursuant to the custody agreement with the independent custodian signed by the client, naming L.F. Howard Associates, Inc. as the client's agent for trading client securities held by the custodian, L.F. Howard Associates, Inc. will attend to such transactions on the client's behalf, including but not limited to determining the broker dealer to use and the commission costs that will be charged to the client for these transactions.

L.F. Howard Associates, Inc. will endeavor to select those brokers or dealers which will provide the best services at the lowest commission rates possible. The reasonableness of commissions are based on the broker's ability to provide professional services, competitive commission rates, research and other services which will help L.F. Howard Associates, Inc. in providing management services to clients. L.F. Howard Associates may, therefore use a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance. Research services may be useful in serving all our clients, and not all of such research may be useful for the account for which the particular transaction was effected.

Some clients, when undertaking an advisory relationship, already have a pre-established relationship with a broker and they may instruct L.F. Howard Associates, Inc. to execute all transactions through that broker. In the event that a client directs L.F. Howard Associates, Inc.

to use a particular broker or dealer, it should be understood that under those circumstances a disparity in commission charges may exist between the commissions charged to other clients.

Research and Other Benefits in Detail

L.F. Howard Associates, Inc. utilizes BNY Mellon, NA, Fidelity Brokerage Services LLC, Morgan Stanley Smith Barney and their respective affiliates as independent custodians and broker dealers (collectively "Third Party Providers") with each providing a "platform" of services to monitor, research and trade on behalf of client accounts.

The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like L.F. Howard Associates, Inc. in conducting business and in serving the best interests of our clients but that may also benefit us.

Broker dealers charge brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees and/or commissions are charged for individual equity, mutual fund and debt securities transactions).

As part of these platforms Third Party Providers makes available to our firm, at no additional charge to us, certain research and brokerage services, including research services obtained directly from independent research companies which are used by our firm to manage accounts.

Potential Conflicts of Interests

L.F. Howard Associates, Inc. may also receive additional services, such as the occasional free lunch while attending a research presentation. Although unlikely, and not material, as our relationships are not exclusive, and free research is also available on-line, it is theoretically possible that without this arrangement, we might be compelled to purchase the same or similar services at our own expense.

As a result of receiving such services for no additional cost, we might theoretically have an incentive to continue to use or expand the use of a Third Party Provider. We examined this potential conflict of interest when we enter or continue relationships with the Third Party Providers and have determined that the relationship is in the best interests of L.F. Howard Associates, Inc.'s clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to availability of other options, and the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness.

Accordingly, while L.F. Howard Associates, Inc. will seek competitive rates, to the benefit of all clients, and generally seek the lowest cost for the best service, we may not necessarily obtain the lowest possible commission rates for specific client account transactions in all circumstances.

Aggregate Trades

L.F. Howard Associates, Inc. will use block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. L.F. Howard Associates, Inc. will typically aggregate trades among clients whose accounts can be traded at a given broker. L.F. Howard Associates, Inc.'s block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with L.F. Howard Associates, Inc., or our firm's order allocation policy.
- 2) The portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable L.F. Howard Associates, Inc. to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.

- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
- 7) L.F. Howard Associates, Inc.'s client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
- 8) Funds and securities for aggregated orders are clearly identified on L.F. Howard Associates, Inc.'s records and to the custodian or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
- 9) No client or account may be favored over another.

Item 13 Review of Accounts

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

REVIEWS: While the underlying securities within client accounts are continually monitored, these accounts are reviewed at least monthly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: Susanne C. Howard, President

REPORTS: Monthly or quarterly statements and confirmations of transactions are sent to clients from the custodian. By request, L.F. Howard Associates, Inc. will prepare summary reports. You are encouraged to compare any additional summaries or reports from our office with those you receive from the custodian and advise us of any material differences.

CONSULTING SERVICES

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by Susanne C. Howard.

REPORTS: Consulting Services clients will not typically receive reports due to the nature of the service.

Item 14 Client Referrals and Other Compensation

CLIENT REFERRALS

Our firm does not now, but may in the future, pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. If we pay a referral fee, we would require the Solicitor to provide the prospective client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral. Any solicitors must be properly licensed.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm may directly debit advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, clients may wish to review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm does not have actual or constructive custody of client accounts.

Item 16 Investment Discretion

While discussing client goals and preferences and any change in circumstances at least annually, clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission. Our discretionary authority includes the ability to do the

following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

New clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

We vote proxies for all client accounts as authorized; however, you always have the right to vote proxies yourself. You can exercise this right by instructing us in writing to not vote proxies in your account.

We will vote proxies in the best interests of its clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting L.F. Howard Associates, Inc. by telephone, email, or in writing. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

With respect to ERISA accounts, if authorized by the client, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact us by telephone, email, or in writing.

You can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing.

You can also instruct us on how to cast your vote in a particular proxy contest by contacting us at 617-292-2700.

Item 18 Financial Information

As an advisory firm that maintains discretionary authority for client accounts we are required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. L.F. Howard Associates, Inc. has no additional financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

L.F. Howard Associates, Inc. has not been the subject of a bankruptcy petition at any time during the past ten years.