

Firm Brochure

(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Advanced Asset Management, L.L.C. ("AAM"). If you have any questions about the contents of this brochure, please contact us at: 616-531-5220, or by email at: rvansurksum@aamllc.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 AAM is available on the SEC's website at www.adviserinfo.sec.gov.

January 19, 2012

Material Changes

Material Changes since the Last Update on August 10, 2011

We have no material changes to report since our last update on August 10, 2011.

Our Brochure may be requested by contacting Ronald J. VanSurksum, Owner and Partner at 616-531-5220 or rvansurksum@aamlc.com. Our Brochure is also available on our Web site, www.aamlc.com, free of charge.

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Advisory Business

Firm Description

AAM was founded in 1997.

AAM provides personalized financial planning, investment management, and general consultation services to individuals, high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations and corporations and other business entities. AAM also offers “wrap accounts” through third-party money managers.

AAM offers fee-only financial planning, investment management and consultation services. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. No commissions are accepted. AAM does not compensate third parties for referrals of clients to AAM by paying to the third party a portion of the advisory fee received from clients introduced by the third party.

AAM participates in certain Third-Party Adviser Programs through which other investment advisors discretionary investment management services are offered to the AAM's clients.

AAM provides other consulting services to clients from time to time, including advice regarding special or general project requests.

AAM does not act as a custodian of client assets. The client always maintains asset control. AAM has authority to determine, without obtaining specific client consent, the securities to be bought or sold, their amount, the broker dealer to be used and the commission rates paid.

AAM clients may leave standing instructions on a variety of matters such as refraining from making investments in particular industries, investing in limited amounts of specified securities, and periodically re-balancing a portfolio.

Principal Owners

Ronald J. Van Surksum is a member of AAM and owns membership interests equal to 100%.

Types of Advisory Services

AAM provides investment supervisory services, also known as asset management services; manages investment advisory accounts not involving investment supervisory services; offers participation in “wrap fee accounts”; and furnishes investment advice through consultations.

AAM gathers information from questionnaires and conducts an initial meeting with a client to assess a client’s individual needs, goals, time horizons, and risk tolerances. Based on the information provided by the client, AAM will provide a client with recommendations for investments and investment strategies, which may include planning for your long-range goals (i. e, retirement planning or

college funding) or specific financial objectives when needed. Typically, recommendations are provided in an Investment Policy Statement, which AAM follows to manage a client's portfolio.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) may be engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the event they should occur.

Assets are invested in equities (stocks), warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities (variable life insurance, variable annuities, and mutual funds shares), US government securities, options contracts, futures contracts, and interests in partnerships. Depending on a client's circumstances, AAM may recommend short-term government (i. e., T-Bills) or corporate debt instruments, money market funds, and certificates of deposit.

AAM offers Financial Planning Services for clients who are planning for long term needs or goals. After evaluating a client's financial needs, AAM will design investment and risk strategies to help clients achieve their financial goals. Casualty insurance (i. e., homeowners, auto, liability, etc.) may be reviewed and recommended only upon a client's request with assistance from an outside casualty insurance agency.

The scope of work and fee for Financial Planning Services is provided to the client in writing prior to the start of the relationship. A Financial Planning Services Agreement includes: cash flow management; insurance review; investment management (including performance reporting); education planning; retirement planning; estate planning; and tax planning, as well as the implementation of recommendations within each area.

Although the Financial Planning Services Agreement is an ongoing agreement and constant adjustments are required, the length of service to the client is at the client's discretion. Either the client or AAM may terminate an Agreement by written notice to the other party.

AAM also offers General Consulting Services. Clients interested in trading securities (securities sold within 30 days) may chose to use this service. Depending on the level of a client's involvement and the advisory services AAM provides for the client, AAM may or may not include an actively traded portion of a client's managed portfolio under AAM's Investment Management Services.

Third-Party Investment Management Programs

AAM has entered into agreements with various third-party advisers. Under these agreements, AAM offers its clients various types of programs sponsored by these advisers. All third-party investment advisers to whom AAM will refer clients will be licensed as investment advisers by their resident state and any applicable jurisdictions or registered as an investment adviser with the Securities and Exchange Commission.

After gathering information about a client's financial situation and investment objectives, AAM will assist the client in selecting a particular third-party program. AAM receives compensation from these third-party advisors for client introduction pursuant to an agreement with the third-party adviser and for certain ongoing services provided to clients.

This compensation is disclosed to the client in a separate disclosure document and is typically equal to a percentage of the investment advisory fee charged by that third-party adviser or a fixed fee. The disclosure document provided by AAM will clearly state the fees payable to AAM and the impact to the client's overall fees due to these payments.

Since compensation AAM receives under these arrangements may differ depending on the agreement with each third-party adviser, AAM may have an incentive to recommend one third-party advisers over another if the compensation arrangements are more favorable. Since the independent third-party adviser may pay the fee for the investment advisory services of AAM, the fee paid to AAM is not negotiable, under most circumstances.

Clients who are referred to third-party investment advisers will receive full disclosure, including services rendered and fee schedules, at the time of the referral, by delivery of a copy of the relevant third-party adviser's Form ADV Part 2 or equivalent disclosure document before receiving investment advisory services from the third-party adviser.

In addition, if the investment program recommended to a client is a wrap fee program the client will receive the Appendix 1 or equivalent wrap fee brochure provided by the sponsor of the program. AAM will provide to each client all appropriate disclosure statements, including disclosure of solicitation fees to the Adviser and its advisory associates.

On rare occasions, AAM may recommend Initial public offerings (IPOs) for clients. Unsolicited client participation will be based on account size and consistency with the client's Investment Policy Statement which may favor clients with larger accounts. Subject to written approval by the Chief Compliance Officer of AAM, employees and investment advisory representatives may participate in IPOs alongside clients.

Investment Strategies

AAM investment strategies are primarily based on information included in the client's investor profile and may be based on a number of concepts. Investment strategies may include long-term and short-term purchases depending on the needs of the client. AAM prefers to allocate assets among a number of different asset classes (domestic stocks versus foreign stocks; large cap stocks versus small cap stocks; corporate bonds versus government securities). By using asset allocation, AAM seeks to achieve an efficient diversification of assets to balance risk and return in light of a client's risk tolerance and investment objectives. AAM believes that risk reduction is a key element to long-term investment

success, so asset allocation principles are a key part of its overall investment advisory services.

Other Services

AAM provides other consulting services to clients from time to time, including advice regarding specified client requests or general advice depending on the needs of the client. Clients who typically use this service prefer to be billed annually for advisory services or may have a small account. Fees for such services are negotiated on a case-by-case basis depending upon the services provided and can be hourly or at a fixed fee for each project.

AAM also furnishes advice to clients on matters not involving securities, such as financial planning matters, covering a variety of financial topics, including retirement planning, college funding, estate planning, and risk management using long-term strategies so that continuous monitoring is not required. Clients who engage AAM for Financial Planning services will have their circumstances analyzed based upon the information provided by the client and AAM will provide a written financial plan or report (depending upon the services requested).

AAM's financial planning services are strictly advisory in nature and do not include the services necessary to implement the plan through purchases or sales of securities, insurance, or other investments. The client is always free to accept or reject AAM's advice and to implement some or all of the financial plan or advice through any service provider the client chooses.

Financial Planning Services fees are charged as a fixed project fee based upon the client's net worth.

Assets Under Management

As of December 31, 2011, AAM had approximately 35,734,082 of assets under management on a discretionary basis and \$4,984,203 of assets under management on a non-discretionary basis.

Termination of Agreement

A client may terminate any of the aforementioned agreements without penalty and receive a full refund of any pre-paid advisory fees within five business days after signed a services agreement. After that time, a client may terminate an agreement immediately by notifying AAM in writing and paying a pro-rated fee based on the termination date. Any unearned fees will be refunded to the client. If fees were not paid in advance, a client may be invoiced for time incurred prior to termination at an hourly rate of \$100-\$200, depending upon the complexity of services, the experience of AAM's Advisory Representative performing the services, or as AAM may otherwise deem appropriate. General Consultations and Financial Planning Services terminate upon delivery of advice, the financial plan, or report, as applicable.

AAM may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, AAM will refund any unearned portion of the advance payment.

Fees and Compensation

Description

The specific manner in which fees are charged by AAM is established in a client's written agreement with AAM. AAM bases its fees on a percentage of assets under management, hourly charges, and fixed fees. Management fees can be paid directly by the client by check or the client can have its custodian deduct the amount from client assets. Specific procedures are followed with payment is made by a client's custodian—a client's written authorization permitting debits to the client's account is contained in the AAM Investment Management Services Agreement. Authorization is limited to the withdrawal of AAM's periodic Investment Management fees. Management fees are typically withdrawn quarterly, as specified in the client's authorization. Client statements from the custodian (monthly or quarterly) will identify all amounts distributed from client accounts, including the payment of fees. Clients may terminate the fee deduction authorization at any time, though the client remains responsible for payment of fees for all services rendered.

Management fees are payable quarterly in advance and are computed based on a percentage of assets under management for that billing period. Management fees are 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.

Some fees for Investment Management Services may be negotiable in certain circumstances and may be affected by the complexity of services and the discretion of AAM's Advisory Representative. AAM does not bill fees for services more than six months in advance.

AAM'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 AAM's fee, and AAM does not receive any portion of these commissions, fees, and costs.

Account fees vary by services offered and individual client circumstances. Fee ranges for each service are as follows:

Investment Management Services - An Investment Management Services Agreement may be executed when financial planning is not provided as part of the relationship. The annual fee for an Investment Management Services Agreement is negotiable and ranges from 0.50% to 2.25% per year of assets under management, depending on the size of the portfolio and the complexity of services required. Investment Management fees are determined at the time of engagement and are specified in the Investment Management Services Agreement. Fees may be negotiable as noted above.

Hourly and Fixed Fee Planning Engagements - AAM provides General Consultation Services at hourly or fixed fee project rates. The rate ranges from \$100 to \$200 per hour depending on the project's complexity and the experience of the AAM Advisory Representative performing the services for the client.

Financial Planning Services - Fees for Financial Planning Services are generally charged as a fixed project fee from \$300 to a maximum based upon a client's net worth and measured on a sliding scale from \$3,500 for clients with a net worth up to \$1 million, to negotiable for clients with a net worth in excess of \$5 million.

Project fees may be negotiated based upon special circumstances or complexity and will be agreed to at the time of engagement. If client circumstances or objectives change that require new planning an additional charge may apply.

Payment of Financial Planning fees is generally due upon delivery of the plan or report. For larger projects, AAM will typically require a retainer fee equal to ½ the total fee payable upon execution of the Investment Advisory Financial Planning Agreement. The balance of fees is due upon the delivery of the financial plan.

General Consultation Services - Fees are between \$100 to \$200 per hour depending on the complexity of the project and the experience of the AAM Advisory Representative performing the services. Generally, the more experienced Advisory Representative will charge a higher hourly rate.

Third-Party Managers - Fees are determined by the third-party management agreement between the client and the third-party manager. AAM clients who participate in the program that AAM has established with various third-party advisers will enter into an investment management or other agreement with the third-party manager. This agreement is not an agreement drafted by AAM and contains fees that are charged by the third-party adviser.

Other Fees

AAM does not provide, and its advisory fees do not cover, other services that may be required to manage a client's portfolio. For example, AAM may assist clients with establishing a custodial clearing brokerage account with Charles Schwab in order to purchase and sell investments for a client's portfolio, including stocks, bonds, and mutual funds. Brokerage commissions and transaction fees will be paid in addition to AAM's Investment Management fees.

Charles Schwab provides custodial and clearing services for most of AAM's accounts. AAM uses these brokerage firms for discretionary Investment Management Services. A client may have an account with a different custodian and any custodial fees will be in addition to AAM's fees. If a client's account is a retirement plan, a client may also incur third-party plan administration fees and charges with respect to transactions in the account. AAM does not receive any portion of those fees or charges.

AAM, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Performance-Based Fees and Side By Side Management

Sharing of Capital Gains

AAM does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Types of Clients

Description

AAM provides investment advice to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations or business entities.

Client relationships vary in scope and length of service.

Account Minimums

AAM does not have a requirement that a client have a minimum account size to engage its Investment Management Services.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

AAM measures an investor's goals, risk tolerance, and time horizon through an interview process in an effort to determine a plan/portfolio to best fit a client's investor profile. Investment strategies may be based upon a number of concepts

and determined by client investor profiles. Investment strategies may include long-term and short-term purchases depending upon a client's individual needs.

AAM uses quantitative approaches to identify objectively the economic and financial factors that influence investor risk tolerances. Recommendations for purchases or sales of investments are based on publicly available reports and analysis. In the case of mutual funds, recommendations are based on reports and analysis of performance and managers and certain computerized and other models for asset allocation and investment timing.

AAM uses many sources of public information to include financial news and research materials. AAM also uses both fundamental and charting methods of analysis. Fundamental analysis examines each company's financials and operations, including sales, earnings, growth potential, assets, debt, management, products, and competition. These are variables that are directly related to the company itself. Charting evaluates securities based on the assumption that market data, such as charts of price, volume, and open interest, can help predict future (usually short-term) market trends. Unlike fundamental analysis, charting analysis does not consider the intrinsic value of a security. Historical prices and other trading variables are an important consideration. Charting analysis examines market psychology and its influences on trading in a stock, stock sector, or the market as a whole.

Investment Strategies

AAM has developed a flexible asset allocation approach designed to generate solid returns by reducing the perils of volatility. The aim is to create a system that balances investment risk and reward. The concept of asset allocation or spreading investments among a number of asset classes (domestic stocks vs. foreign stocks; large cap stocks vs. small cap stocks; corporate bonds vs. government securities) is generally in the principal strategy used by AAM. At its heart, asset allocation seeks to achieve an efficient diversification of assets to balance risk and return in light of a client's risk tolerance and investment objectives. AAM believes that risk reduction is a key element to long-term investment success, and AAM believes that asset allocation is a key part of risk reduction.

The investment strategy for each client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, option writing (including covered options, uncovered options or spreading strategies), real estate investment trusts, and limited partnership investments in real estate or oil and gas interests.

Risk of Loss

All investment programs have certain risks that are borne by the client. Investing in securities involves risk of loss that clients should be prepared to bear. AAM's investment approach constantly keeps the risk of loss in mind. Clients face the following investment risks:

- **Interest-Rate Risk**: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk**: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk**: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk**: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk**: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk**: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk**: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk**: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Disciplinary Information

Legal and Disciplinary

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of AAM or the integrity of AAM's management. AAM has no information applicable to this Item.

Other Financial Industry Activities and Affiliations

Financial Industry Activities

AAM does not sell securities or insurance products to its clients. Some of AAM's Advisory Representatives are personally licensed to offer various types of insurance products (other than variable insurance products) for personal, estate, and business needs. Insurance related compensation accounts for the following percent of AAM's Advisory Representative's income:

- Ronald J. Van Surksun – 0%
- Donald J. VanderWeele – 66%
- Chuck Flachs – 0%

AAM Advisory Representatives who are not and will not be licensed to sell insurance do not refer business to Advisory Representatives who are insurance licensed to implement plan recommendations.

Other possible outside business activities may include tax planning services.

Affiliations

AAM's management persons do not have affiliations with other broker-dealers, investment companies, other investment advisors, financial planning firms, commodity pool operators, commodity trading advisers or futures commission merchants, banking or thrift institutions, accounting firms, law firms, pension consultants, real estate brokers or dealers, or entities that creates or packages limited partnerships. AAM has no relationships or arrangements material to its advisory business with any related person who is a broker-dealer, investment company, other investment advisor, financial planning firm, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships.

Insurance

Some of AAM's Advisory Representatives hold insurance licenses to offer and sell life, health, and other insurance contracts (other than variable insurance products) for several unaffiliated insurance companies. Normal commissions from the sale of these insurance products are earned and paid by insurance

companies to Advisory Representatives when these products are sold to AAM's clients. Insurance products are recommended to AAM's clients to reduce their exposure to identified risks and, under some circumstances, for their tax advantages. Although under no obligation to purchase insurance products AAM recommends, many clients do purchase recommended insurance products when the needs arise. If a client uses these insurance agents to purchase insurance products, the receipt of commissions or other compensation on those transactions creates a conflict of interest between their interests and AAM's interests. A client is under no obligation to purchase insurance products recommended by AAM's Advisory Representatives.

AAM's Advisory Representatives do not receive commissions on the sale of variable insurance products. AAM's compensation with respect to any assets invested in a variable insurance product is limited to AAM's investment advisory fees paid by AAM's clients for advising and managing assets held in those accounts, as described above

Pension Consulting and Administrative Services

AAM can establish a relationship with an unaffiliated third-party plan administrator that services a number of qualified retirement plans. AAM's pension plan clients are under no obligation to purchase pension plan services from this third-party plan administrator (and vice versa). AAM could exchange referrals of prospective clients with this third-party administrator. AAM and the third-party administrator would not compensate each other for these cross-referrals.

Income Tax Planning and Book Keeping Services

Some Advisory Representatives may provide tax advice, tax planning or book keeping services. Clients are under no obligation to use these services.

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

Code of Ethics

The employees of AAM have committed to a Code of Ethics that is available for review by clients and prospective clients upon request.

AAM's Code of Ethics provides for a high ethical standard of conduct for all of AAM's employees and "Access Persons", i.e. employees supervised by AAM who have access to nonpublic information regarding any client's purchase or sale of securities, or information regarding the portfolio holdings of any reportable fund or who is involved in making securities recommendations to clients, or who has access to such recommendations that are nonpublic. The Code of Ethics requires compliance with applicable securities laws. It has policies and procedures for the reporting and review of certain personal securities transactions. It details

AAM's fiduciary responsibilities and bans making untrue or fraudulent statements or material omissions, the misuse of material nonpublic information and other unethical practices. The Code of Ethics also details AAM's policies on gifts and entertainment, political contributions, training, education, and recordkeeping.

Participation or Interest in Client Transactions

AAM and its employees may buy or sell securities that are also held by clients. Under AAM's internal trading policies, securities transactions for these kinds of proprietary accounts will not precede transactions for client accounts and will often be executed after all client orders placed during a trading day. As described herein, orders for proprietary accounts may be aggregated with orders for client account and other clients' accounts when doing so will not disadvantage AAM's clients. Mutual funds are sold at their net asset value, so purchases and sales of mutual fund shares for proprietary accounts are not affected by the timing of those transactions. AAM employees must comply with the provisions of the AAM Policies and Procedures Manual of Compliance and Supervision.

Employee Trading

A designated Compliance Officer reviews all employee trades periodically. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment.

AAM has internal compliance rules that require employees to purchase or sell securities for or from the employee's personal account only after trading of the same security has been completed in client accounts. Employee trades contrary to client trades must get the prior approvals of the Chief Compliance Officer. The rules require prior approval from the Chief Compliance Officer if an employee wishes to participate in private placements or initial public offerings.

Employees are required to report securities transactions and holdings for all accounts in which the employee has a direct or indirect beneficial ownership interest on a quarterly basis to the Chief Compliance Officer.

Neither AAM nor its Advisory Representatives will be an owner, partner, manager, executive officer, employee, or promoter of the issuer of any securities. AAM's only direct or indirect financial interest in any security, investment, or insurance product that it recommends to clients will be any commissions, including 12b-1 fees for mutual funds, which may be generated and received on transactions for your account.

Brokerage Practices

Selecting Brokerage Firms

AAM uses a select group of brokerage institutions to execute trades. All brokerage institutions with whom AAM trades are considered to have met certain qualifications regarding professional expertise and competence, the pricing of services and financial stability.

AAM does not exercise brokerage discretion over a client's account. For AAM's Investment Management Services, AAM will assist a client in choosing and opening a brokerage account with an unaffiliated clearing broker-dealer such as Charles Schwab. AAM believes that these broker-dealers offer excellent execution and custodial services at competitive rates and AAM's Advisory Representatives are comfortable with the periodic statements, computer-access, and other capabilities of these firms. Approximately 90 percent of AAM's Investment Management Services utilize a brokerage account at Charles Schwab. AAM recommend that mutual funds and some other financial products be purchased through Charles Schwab.

AAM's Financial Planning or General Consultation Services are not discretionary. A client is under no obligation to implement AAM's advice. Clients may implement AAM's recommendations using any broker-dealer of their choosing.

AAM does not use "soft dollar" arrangements whereby a broker-dealer with whom AAM does business pays a third party directly for services received by AAM. AAM's Chief Compliance Officer periodically monitors AAM's business relationships and advisory services to ensure no research services or products are being obtained on a soft dollar basis.

AAM has an arrangement with Charles Schwab through which Charles Schwab provides AAM with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Charles Schwab's institutional platform services that assist AAM in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Charles Schwab also offers other services intended to help AAM manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service

providers who provide a wide array of business related services and technology with whom AAM may contract directly.

AAM is independently operated and owned and is not affiliated with Charles Schwab.

Charles Schwab. generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab. or that settle into Charles Schwab. accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Charles Schwab. provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

Best Execution

AAM's Brokerage Committee or designated officer of the firm reviews AAM's trading activity on a periodic basis to determine whether AAM's fiduciary responsibility to obtain "best price and execution" has been fulfilled.

The Brokerage Committee, or designated officer, meets periodically to review AAM's trading activity relative to the activity of the market in general and determine whether the executions delivered to clients are reasonable. In the event an anomaly is noted, the Brokerage Committee, or designated officer, will follow up to determine market activity during that period.

AAM reviews the execution of trades at each custodian each quarter. The review is documented. Trading fees charged by the custodians is also reviewed on a basis.

Soft Dollars

See "Selecting Brokerage Firms" for a description of soft dollar practices.

Order Aggregation

In managing a client's account and the accounts of other clients, under some circumstances AAM may aggregate (or bunch) trades in a particular security for multiple accounts into one or more larger purchase or sell orders when submitting them to the executing broker-dealer. AAM does not always aggregate trades, and trades for client-directed brokerage accounts generally cannot be aggregated with discretionary accounts. AAM aggregates orders for administrative convenience and, in some instances, to realize more effective trade execution and the cost efficiencies that come from executing larger order sizes.

When AAM does aggregate trades, under its trade allocation policy, AAM will prepare an allocation statement for the order specifying the participating clients' accounts and AAM's plan for allocating the order, the purchase or sale price, and related costs among the participating client accounts. Typically, each client account that

participates in an aggregated order will do so at the average share price for all transactions ordered by AAM in that security on a given business day. If permitted by the broker-dealer effecting the transaction, transaction costs will be shared on a pro rata basis. Some broker-dealers, including Charles Schwab & Co., Inc., ("Charles Schwab"), charge brokerage commissions to each participating client in accordance with the size of that client's part of the aggregated order regardless of the total size of the aggregated order. If an aggregated order is not filled in its entirety, it will generally be allocated on a pro rata basis among participating accounts.

AAM's objective is to ensure that we are allocating investment opportunities among AAM's clients' accounts in a fair, rational, and predictable manner based upon each client's needs and financial objectives, and taking into consideration any investment restrictions or limitations for a client account. Deviations from AAM allocation methodology are permitted only for good cause under the direction of AAM's principal, Ronald J. Van Surksun. Examples of some circumstances that might warrant a deviation include the account size and type relative to the investment available, investment objectives, tax considerations, other investment guidelines, and client-imposed investment restrictions. Clients are encouraged to discuss any questions that may arise regarding investment policies throughout the course of AAM's engagement.

Review of Accounts

Periodic Reviews

AAM's Investment Management Services involve periodic monitoring (quarterly or annually) and review of portfolio assets. The reviewers will be AAM's Advisory Representatives acting under the overall supervision of the Chief Compliance Officer. Advisory Representatives are not given specific direction about their investment advice and will exercise a significant level of independent investment judgment. There is no limit on the number of accounts assigned to an Advisory Representative.

In providing Investment Management Services, AAM's Advisory Representatives will typically review investment results, asset allocations, client objectives, time horizons and risk tolerance to determine whether client investment plans continue to conform to a client's current needs. AAM requests that clients immediately notify AAM of any changes in a client's financial status. AAM may prepare quarterly performance reports for a client's account if desired, as specified in AAM's Investment Management Services Agreement.

Financial Planning or General Consultation advisory services may generate a report as of a point in time, but will not receive any periodic on-going reviews. AAM recommend that a client's circumstances be reviewed and a client's plan be updated annually, but initiating an annual review/update is a client's responsibility.

Administrative personnel may assist AAM's Advisory Representatives in performing their services for a client's account, such as computer data input. All decisions, account reviews, and primary contacts are made by AAM's Advisory Representatives.

Review Triggers

Significant economic or market events affecting one or many investments held in clients' accounts may trigger reviews.

Regular Reports

AAM does not have custody of client accounts. AAM is not affiliated by ownership or control with any custodians. A client should expect to receive standard period account statements from mutual funds, brokerage firms, insurance companies, and other investment sponsors either monthly or quarterly, as well as confirmations of transactions as they occur. Such periodic reports contain position information for such period. The position report includes such details as cost, current market value, current price, estimated annual income, and yield. A client may request an off-cycle report at any time. Quarterly statements summarize the transactions, fee charge and methods of calculation. Monthly statements from the calculation agent provide the end balance and monthly transactions.

Client Referrals and Other Compensation

AAM may compensate third parties for referrals of clients to AAM by paying to the third party either a fixed monthly fee or a fee per referral received from prospects introduced by the third party. These arrangements will be disclosed to clients in accordance with Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended and applicable state laws and regulations. Any referral fees paid by AAM will not cause such client's management fee to be increased. In order to avoid any conflicts of interest AAM complies with the requirements of Rule 206(4)-3.

Custody

Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly.

Performance Reports

Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by AAM.

Net Worth Statements

Financial Planning Services clients are frequently provided net worth statements and net worth graphs that AAM generates from its client relationship management system. Net worth statements contain approximations of bank account balances provided by the client, as well as the value of land and hard-to-price real estate. The net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks.]

Investment Discretion

Discretionary Authority for Trading

AAM receives discretionary authority to manage securities accounts on behalf of clients that select Investment Management Services. For Investment Management Services clients, AAM has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. In all cases, AAM exercises discretion in a manner consistent with the stated investment objectives for the particular client account. AAM's discretionary authority can only be exercised in the client's name and for the client's account. AAM cannot make withdrawals or distributions for a client's account without express direction. Investment guidelines and restrictions must be provided to AAM in writing.

Pursuant to the discretionary authority granted to AAM by its clients, AAM ordinarily determines the brokers or dealers through which transactions will be executed and the commission rates paid. The client approves the custodian to be used and the commission rates paid to the custodian. AAM does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

Generally, AAM's Investment Management Services clients are unable to restrict or prohibit transactions or direct transactions for execution through specific brokers and dealers, but for clients who select General Consultation or Financial Planning Services, the client may elect to reject AAM's advice or implement some of the advice provided through brokers and dealers of their own choice.

Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. Clients sign a limited power of attorney so that AAM may execute trades approved by a client.

Voting Client Securities

Proxy Votes

Companies and mutual funds routinely solicit proxies from shareholders to vote upon various important matters affecting shareholders' rights. It is AAM's policy not to exercise proxy voting rights with respect to securities held in clients'

accounts. AAM will ask client custodian(s) to forward proxy voting materials directly to AAM's clients.

Financial Information

Financial Condition

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about AAM's financial condition. AAM 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.

Requirements for State-Registered Advisers

Educational Background and Business Experience

Principal Executive Officer

RONALD J. VAN SURKSUM, CFP®

Ronald J. Van Surksum, CFP® (born 1969) is the Managing Member of AAM as well as its Chief Compliance Officer since 2003. He began working for AAM as an investment advisory representative in 1997. In addition to this role he was a reverse mortgage specialist with Unity Mortgage Corporation from January 2009 to July 2009. From January 2006 to December 2006 Mr. Van Surksum was a sales associate with Identity Theft Shield and Prepaid Legal Services Inc. From January 2004 to September 2010, Mr. Van Surksum was a self-employed tax preparer. Mr. Van Surksum was a principal and registered representative of Questar Capital Corporation, a broker-dealer and investment adviser, from June 2001 to August 2003. From June 1999 to June 2001, Mr. Van Surksum was a registered representative and advisory representative with National Planning Corporation, another broker-dealer and registered investment adviser. From June 1997 to June 1999, Mr. Van Surksum was with FSC Securities Corporation another broker-dealer and registered investment adviser. Prior to this, Mr. Van Surksum was with American Express Financial Advisers from February 1992 to June 1997 where he was a registered representative and financial planner. He received the designation of Certified Financial Planner™ in 2000 and a B.S. in Business and Accounting from Aquinas College in 1993. He is also a member of the Financial Planning Association (FPA) and the National Association of Personal Financial Advisors (NAPFA®).

CFP - Certified Financial Planner

Issued by: Certified Financial Planner Board of Standards, Inc.

Prerequisites/Experience Required: Candidate must meet the following requirements:

- A bachelor's degree (or higher) from an accredited college or university, and
- 3 years of full-time personal financial planning experience

Educational Requirements: Candidate must complete a CFP-board registered program, or hold one of the following:

- CPA
- ChFC
- Chartered Life Underwriter (CLU)
- CFA
- Ph.D. in business or economics
- Doctor of Business Administration
- Attorney's License

Examination Type: CFP Certification Examination

Continuing Education/Experience Requirements: 30 hours every 2-years

Investment Advisory Representatives

CHARLES M. FLACHS

Charles M. Flachs (born 1957) is an advisory representative with AAM and has been with AAM since August 1999. While with AAM, Mr. Flachs was with Questar Capital Corporation, a broker-dealer, as a registered representative from July 2001 to August 2003. From June 1999 to June 2001, Mr. Flachs was a registered representative with FCS Securities Corporation. Mr. Flachs was a cost accountant with Rexair, Inc. from July 1983 to January 1992 and a plant controller from January 1992 to February 1997. Prior to this, Mr. Flachs was a staff accountant with the accounting firm of Yeo & Yeo from December 1979 to July 1983. Additionally, Mr. Flachs is the owner of First North Financial which he started in September 1997. Mr. Flachs graduated from Central Michigan University in 1979 with a B. S. in Business Administration with emphasis in Accounting.

DONALD J. VANDERWEELE, CFP®

Donald J. VanderWeele (born 1944) is an advisory representative with AAM and has been with AAM since December 1999. Prior to his position with AAM, Mr. VanderWeele was a financial planner with American Express Financial Advisors / IDS Life from January 1981 to December 1999. While with AAM, Mr. VanderWeele was an investment representative with National Planning Corporation from January 2000 to June 2001 and with Questar Capital from July 2001 to August 2003. Mr. VanderWeele was also licensed to sell reverse mortgages with Unity Mortgage from January 2009 to July 2009. Mr. VanderWeele is currently licensed to sell life, accident and health insurance in the State of Michigan.

Supervisory Plan

Donald VanderWeele and Charles Flachs are both supervised by Ronald J VanSurksum, the Chief Compliance Officer of AAM. Mr. VanSurksum reviews all new business submitted by Mr. VanderWeele and Mr. Flach. Mr. VanSurksum can be reached at 616-531-5220. Ronald J. VanSurksum is not supervised by an individual associated with AAM but will schedule audits of company policies and procedures by an outside compliance consultant on a regular basis.

Succession Plan

Ronald J. VanSurksum is the backup to both Charles Flachs and Donald VanderWeele. If something were to happen to Ron Van Surksum, Charles Flachs would back up.

Other Businesses

AAM and its supervised persons may engage in insurance sales, pension consulting and administrative services, and income tax planning and book keeping services. Descriptions of these activities are provided in this Form ADV Part 2A under the Item heading Other Financial Industry Activities and Affiliations.

Performance-Based Fees

Neither AAM nor any of its supervised persons are compensated for advisory services with performance-based fees.

Disclosure Events

Neither AAM nor any of its supervised persons were or are involved in any arbitration, civil, self-regulatory organization, or administrative proceeding.

Arrangements with Issuers

Neither AAM nor any of its management persons have any relationship or arrangement with any issuer of securities.