

Sunnymeath Asset Management, Inc.

151 Bodman Place, Suite 100

Red Bank, NJ 07701

732-933-8444

www.sunnymeath.net

www.sunnymeath.com

February 2012

This Brochure provides information about the qualifications and business practices of Sunnymeath Asset Management, Inc. [“ADVISER”]. If you have any questions about the contents of this Brochure, please contact us at 732-933-8444 or info@sunnymeath.net. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Sunnymeath Asset Management, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Sunnymeath Asset Management, Inc. is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

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

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

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

Since our last Brochure filing there have been no material changes with regard to the firm’s services, investment advisory fee arrangements, relationships with related persons and outside entities, changes to advisory personnel, and/or changes to the organization.

Currently, our Brochure may be requested by contacting Jerry Grospe, Compliance Officer at 732-933-8444 or info@sunnymeath.net. Our Brochure will soon be available on our web site www.sunnymeath.net, also free of charge.

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

Item 3 -Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes	iii
Item 3 -Table of Contents	iii
Item 4 – Advisory Business	1
Item 5 – Fees and Compensation	1
Item 6 – Performance-Based Fees and Side-By-Side Management	2
Item 7 – Types of Clients.....	3
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	4
Item 9 – Disciplinary Information	4
Item 10 – Other Financial Industry Activities and Affiliations	Error! Bookmark not defined. 4
Item 11 – Code of Ethics.....	5
Item 12 – Brokerage Practices	6
Item 13 – Review of Accounts	9
Item 14 – Client Referrals and Other Compensation.....	9
Item 15 – Custody	9
Item 16 – Investment Discretion.....	10
Item 17 – Voting Client Securities.....	10
Item 18 – Financial Information	11
Item 19 – Requirements for State-Registered Advisers.....	11
Brochure Supplement(s)	

Item 4 – Advisory Business

Sunnymeath Asset Management, Inc. is a registered investment advisor who provides investment advisory services to individuals, trusts, estates, charitable organizations, mutual funds, fund of funds and hedge funds. James P. O'Mealia started the company in 1996 and remains the sole owner of Sunnymeath Asset Management, Inc. to date.

Sunnymeath Asset Management, Inc. offers a disciplined value-oriented style of investment management, which spans across multiple investment objectives/strategies - Balanced, Equity, Long/Short Equity, Equity-Income, and Income. The firm provides its asset management services through pooled vehicles and separately managed accounts.

Because Sunnymeath offers a variety of investment strategies, clients' needs are usually determined and met after consultation with the Chief Investment Officer. Subsequent to determining the strategy for the portfolio, clients may impose additional restrictions if they choose to do so.

Sunnymeath Asset Management, Inc. does not participate in wrap fee programs.

As of February 9, 2012, Sunnymeath's Assets under Management included:

\$60,900,000.00 – Discretionary

\$0.00 – Non-Discretionary

Item 5 – Fees and Compensation

The specific manner in which fees are charged by Sunnymeath Asset Management, Inc. is established within the client's written investment management agreement. Sunnymeath will generally bill its fees on a quarterly basis in advance. Clients may elect to be billed directly, but generally authorize Sunnymeath to directly debit fees from client accounts. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable

calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated during a calendar quarter will be charged a prorated fee.

Each entity has a fee structure detailed in its agreement and ranges from 0.25% to 0.50% of net asset value on a quarterly basis, and may include an incentive fee based on performance (1% to 2% annually).

For separately managed accounts, fees are negotiable, and are expected to range from 0.5% to 2.0% annually of assets under management depending upon the account size and asset classes managed. Sunnymeath may accept performance-based fees for its advisory services, provided such fees meet the requirements of Rule 205-3 of the Investment Advisers Act of 1940.

Sunnymeath'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, transfer taxes, wire transfer and electronic fund fees, and other state and/or federal fees and taxes on partnership interests, brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to Sunnymeath's fee, and Sunnymeath shall not receive any portion of these commissions, fees, and costs.

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

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

In some cases, Sunnymeath has entered into performance fee arrangements with qualified clients: such fees are subject to individualized negotiation with each such client. Sunnymeath will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisers Act of 1940 (The Advisors Act) in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. In measuring clients'

assets for the calculation of performance-based fees, Sunnymeath shall include realized and unrealized capital gains and losses. Performance-based fee arrangements may create an incentive for Sunnymeath to purchase, sell or sell short investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. Sunnymeath has procedures designed and implemented to ensure that all clients are treated fairly and equally to the extent possible and practical, and to prevent this conflict from influencing the allocation of investment opportunities among clients. Sunnymeath provides asset management services on both asset fee-based and performance fee-based structures. All firms providing asset management services for multiple accounts have the inherent conflict of interest that results from not being able to execute buy and sell orders simultaneously at the same price. We block/bunch trade orders to minimize dispersion and to minimize the inherent conflict of trading for multiple accounts.

The conflict between having accounts with performance-based fees and flat asset-based fees is also minimized by bunching trades amongst accounts with similar objectives and liquidity. Sunnymeath also tracks performance dispersion on a monthly basis between accounts to ensure all accounts are being treated fairly and equitably to the extent possible and practical.

Item 7 – Types of Clients

Sunnymeath manages private investment partnerships for individuals and institutions and provide separate account management for individuals and institutions. Minimum account sizes for our partnerships are generally \$250,000 or more, but minimums may be waived under certain circumstances. Separately managed account services are offered for individuals and institutions with over \$2 million to invest, though minimums may be waived under certain circumstances.

Currently, Sunnymeath Asset's client list is comprised of:

27.8% - Pooled Investment Vehicles

38.9% - Individuals (other than High Net Worth – including trusts, estates, IRA's, 401(k) plans)

22.2% - Charitable Organizations

5.6% - High-Net Worth Individuals

5.6% - Pension and profit sharing plans (other than plan participants)

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

Sunnymeath Asset uses a bottom-up investment analysis method for securities in all of the client accounts it manages. Generally, we start out with Russell 3000 companies and look for companies with lower market p/e, p/cf and higher ROE and ROIC. The manager then applies a fundamental research screen, where the company assesses debt/FCF generation and compares the companies versus their peers. Subsequently, additional due diligence is performed on company management, research reports, 10Qs and 10Ks, company presentations are reviewed. If Sunnymeath believes there is an investment catalyst present, we will determine the risk/reward potential. Ultimately, a price target is set at which point the manager will buy an initial position of 1-3%. Sunnymeath owns over 65 companies in long-term accounts so Sunnymeath is actively monitoring those current holdings for purchase and has a watch list of 100+ additional companies.

Investing in securities, in general, involves various levels of risk. Therefore, clients investing in Sunnymeath products should meet certain standards to ensure that they are prepared to bear the possibility of loss and the limited liquidity of partnership investments. For those investing in Sunnymeath's private investment funds, an accredited investment standard must be met.

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

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Sunnymeath Asset Management, Inc. or the integrity of Sunnymeath's management. Sunnymeath has not ever had, nor does it currently have any disciplinary actions pending by any regulatory body at this time.

Item 10 – Other Financial Industry Activities and Affiliations

Sunnymeath Asset Management, Inc. management persons are not registered, nor have a pending application as a broker dealer or registered representative of a broker dealer, futures commission merchant, commodity pool operator, commodity trading operator or commodity trading adviser.

Item 11 – Code of Ethics

Sunnymeath Asset Management, Inc. has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Sunnymeath Asset Management, Inc. must acknowledge the terms of the Code of Ethics annually, or as amended.

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

trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Sunnymeath and its clients.

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

Sunnymeath's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Jerry Grospe at 732-933-8444.

It is Sunnymeath's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Sunnymeath will also not cross trades between client accounts, unless it is beneficial for both clients. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

Item 12 – Brokerage Practices

Sunnymeath selects broker/dealers solely on the basis of best price and execution, including research provided. Best price is normally an important factor in this decision, but the selection also takes into account the reasonableness of commissions, the quality of brokerage services, including such factors as execution capability, willingness to commit capital, creditworthiness

and financial stability and clearance and settlement capability, and the broker's ability to provide professional research and other services. Sunnymeach may, therefore, use a broker who provides useful research and securities transaction services even though a lower commission may be charged by another broker who does not offer research and securities transaction assistance. Accordingly, transactions will not always be executed at the lowest available price or commission. Such services may be useful to all of Sunnymeach's clients, but not all such services may be useful for the account for which the particular transaction was effected. Sunnymeach may select a broker-dealer that furnishes Sunnymeach directly or through correspondent relationships with third party research or other services which provide, in Sunnymeach's view, appropriate assistance to Sunnymeach in the investment decision-making process. Such research or other services may include research reports on companies, industries, and securities; economic and financial data; financial publications, computer data bases; quotation equipment and services; and research-oriented computer hardware, software and other services. Research or other services obtained in this manner may be used in servicing any or all advisory clients of Sunnymeach and may be used in connection with advisory accounts other than those that pay commissions and commission equivalents to the broker-dealer relating to the research or other service arrangements. Sunnymeach may endeavor to direct sufficient commissions and commission equivalents to broker-dealers who, pursuant to such arrangements, provide research or other services in order to ensure the continued receipt of research or other services Sunnymeach believes is useful in its investment decision-making process.

Sunnymeach may receive research services from brokers used by Sunnymeach. Brokers used by Sunnymeach will receive commissions for execution of orders. Thus, a potential conflict of interest may exist between the interest of Sunnymeach who is receiving an economic benefit in the form of research services and the interest of the clients whose accounts pay commissions. Sunnymeach will review regularly the commission rates being paid on average to determine their reasonableness.

Sunnymeach has also established trade allocation and execution policies to ensure that security trades, including trades in initial public offerings, are allocated among client accounts in a

manner consistent with Sunnymeath's fiduciary obligations. Sunnymeath regularly reviews allocations to ensure that all clients are fairly treated.

Certain prospective clients, when undertaking an advisory relationship, may have an existing brokerage relationship, and they will instruct Sunnymeath to execute all transactions through the broker with which this brokerage relationship already exists. In the event that a client directs Sunnymeath to use a particular broker, custodian or dealer, Sunnymeath may be unable, under those circumstances, to negotiate commission rates or select brokers based on the most favorable price and execution for the transaction. In addition, a client may lose the possible advantage that non-directing clients may derive from the batching of orders as a single transaction for the purchase or sale of a particular security. As a result, designating the use of a particular broker-dealer or custodian may cause a client to pay higher commissions or receive less favorable net prices than would be the case if Sunnymeath were authorized to choose the broker-dealer through which to execute the transaction for the client's account. In addition, under these circumstances there may be a disparity in commission charges between clients who direct Sunnymeath to use a particular broker-dealer or custodian and those clients who grant Sunnymeath discretion to select the broker dealer to be used.

Finally, in those circumstances where a registered representative at a brokerage firm refers a client to Sunnymeath and the client directs Sunnymeath to use the referring brokerage firm, clients should recognize that there exists a potential conflict of interest between Sunnymeath's interests in negotiating lower commission rates on behalf of the client and Sunnymeath's interest in obtaining future referral from the referring brokerage firms.

The reasonableness of brokerage commissions for non-directed brokerage is evaluated by Sunnymeath on a regular basis. In making such an evaluation Sunnymeath considers many factors including the general level of commissions paid and the nature of services provided.

Soft dollar benefits are not limited to those clients who may have generated a particular benefit although certain soft dollar allocations are connected to particular clients or groups of clients.

Sunnymeath Asset Management, on behalf of its discretionary clients, directs an amount of portfolio brokerage commissions to a broker-dealer in return for services or research used in making investment decisions. Such commissions from client transactions are used to obtain third party research services from Bloomberg, LP and Callstreet.com. The paying broker in these transactions is Instinet, LLC.

Item 13 – Review of Accounts

Client reviews are provided on an as requested basis. For institutional clients, reviews are generally conducted at least annually, though they may occur more frequently if desired by the clients. Reviews are conducted by James O’Mealia, the firm’s Chief Investment Officer, but may be conducted by other firm personnel, especially if they have a relationship with the client. At present, James O’Mealia is responsible for the management of and reviews for all client portfolios.

Sunnymeath Asset Management, Inc. clients receive reports periodically. Below is the frequency or reporting by account type:

- Separately Managed Accounts (individual) - Monthly statements from Custodian, quarterly performance reports from Sunnymeath.
- Separately Managed Accounts (Institutional) - Monthly statements from Custodian, monthly performance reports from Sunnymeath.
- Limited Partners in Private Investments - quarterly valuations created by fund accountant are sent to limited partners.

Item 14 – Client Referrals and Other Compensation

At present, Sunnymeath has no agreements with any outside organization or individuals to be compensated for formally referring clients or potential clients to Sunnymeath Asset Management, Inc.

Item 15 – Custody

Sunnymeath Clients receive monthly statements from qualified custodians that hold and maintains client’s investment assets. Sunnymeath currently uses two (2) prime brokers: Jefferies & Company (JP Morgan, custodian) and Pershing Advisor Solutions (Bank of NY, custodian). Sunnymeath urges you to

carefully review such statements and compare such official custodial records to the account valuations and/or performance advices that we may provide to you.

Item 16 – Investment Discretion

Sunnymeath Asset usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the investment objectives for the particular client account, as stated in their respective investment management agreement. Additionally, these investment objectives and limitations are noted on Sunnymeath's daily trade blotter template.

When selecting securities and determining amounts, Sunnymeath observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Sunnymeath's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Sunnymeath in writing.

Item 17 – Voting Client Securities

Sunnymeath attempts at all times to manage client accounts solely in the best interest of the recipients or beneficiaries of the funds it is investing. Industry standards of care, skill, prudence and diligence are brought to bear on every investment action. This philosophy of prudence is applied to proxy voting as well.

Sunnymeath purchases a stock, focusing on the ability of the company's board of directors and senior management to improve shareholder value. However, the confidence in management shown by Sunnymeath's purchase of the stock does not transfer to automatic voting procedures whereby Sunnymeath "rubber stamps" its wishes on the proxy ballot.

Sunnymeath views the proxy as an economic instrument, and makes proxy voting decisions based on financial criteria when present. At the same time, decisions will, whenever possible, protect the rights of its clients as shareholders. Thus, in making a proxy voting decision, two primary considerations are in effect: first, the economic impact of the proposal; and second, the impact of the proposal on shareholder rights.

Clients may obtain a copy of Sunnymeath's complete proxy voting policies and procedures upon request. Clients may also obtain information from the company's compliance officer about how Sunnymeath voted any proxies on behalf of their account(s).

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Sunnymeath's financial condition. Sunnymeath 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. The Company's only meaningful obligation is its monthly rental fee for its corporate office space, currently renewable on an annual basis.