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CONCORDE ASSET MANAGEMENT, LLC

FORM ADV – PART 2 INFORMATION
May 7, 2012

CONCORDE ASSET MANAGEMENT, LLC
1120 E. Long Lake Road, Suite 100, Troy, MI 48085

Phone: 248-824-6710 Fax: 248-720-0460

This Brochure provides information about the qualifications and business practices of CONCORDE ASSET MANAGEMENT, LLC (“CAM”). If you have any questions about the contents of this Brochure, please contact us at (248) 824-6710. 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. Registration of CAM with any regulatory agency does not imply any level of skill or training.

Additional information about CAM, including a copy of its Form ADV Part IA and IB and Part 2, is available on the SEC's website at www.adviserinfo.sec.gov. The searchable CRD/IARD number for Concorde Asset Management, LLC is 140367.

Item 2 - Material Changes To This Brochure Since Its Last Annual Update

August 15, 2011 - Changes to Item 4, ownership, and Investment Management Services; additional disclosures added to Items 5 Investment Management Fees and Additional Compensation, Item 10 Financial Industry Affiliations, and Item 11, Code of Ethics.

September 14, 2011 - Changes to Item 4 relating to tailoring of advice and changes to describe conflicts associated with Financial Planning Services; Item 5 to disclose range of flat fees; Item 10 disclosures relating procedures followed to address conflicts of interest relating to referrals to third-party advisers; and Item 18 to disclose CAM has not been the subject of any bankruptcy.

October 26, 2011 - Financial planning services detail added to Item 4. Client's timeframe to terminate management agreement reduced from a 30 day period to a 7 day period.

May 7, 2012 - Fee Schedule adjusted in Item 5.

Item 3

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Item 4 - Advisory Business

Concorde Asset Management, LLC (“CAM”) is a firm specializing in providing investment advisory services. CAM is a Michigan limited liability company which was formed on March 22, 2006 and began in business in September 2006 in Michigan. The firm provides financial planning and investment management services, including portfolio management for individuals and selection of other advisers, to a wide variety of clients. CAM is owned by Concorde Holdings, LLC which, in turn, is owned by five persons: Gregory Merritt (15%), Mark Kosanke (15%), Jason Kavanaugh (39%), John Gakenheimer (19%) and Michael Wolf (10%). The advisory services of CAM are described in detail below.

All advisory services are tailored to meet the individual needs of a client, i.e., services are designed and provided to meet the client's financial situation, expressed objectives and desired scope of services. No advisory services are provided unless Concorde and the client enter into a written agreement.

Financial Planning Services

CAM stands ready to perform Financial Planning Services which are designed to combine advice relating to a range of financial subjects selected by the client. In designing a project or comprehensive financial plan, regardless of the complexity, CAM Representatives will:

- Interview the client, analyze the client’s financial needs, and assist the client in developing realistic goals and objectives based on information provided by the client. CAM Representatives may also clarify planning problems and outline strategies designed to meet the client’s goals. A client typically retains CAM to perform a comprehensive plan covering such topics as investments, taxes, insurance, retirement, and estate planning, among other subjects. A client may also engage CAM for projects that may require annual or more frequent reviews if more complex long-term planning is needed.
- Prepare an initial written project or comprehensive plan in the scope requested by a client based on the information gathered during the client interview and needs evaluation. The plan may include establishing a clear set of objectives, an outline of resources, a written investment policy statement, an asset allocation model, strategy recommendations, retirement, estate, education, or insurance planning and product recommendations. Reports usually include the steps to take for implementing advice provided.
- Help the client implement the plan including, if needed, assistance in purchasing and/or selling securities and/or insurance products.
- Review the plan periodically in the scope and frequency agreed upon in advance with the client.

CAM Representatives may also, as requested, recommend changes to the client’s investment portfolio or plan, either in writing or verbally. Changes in the client’s financial condition, personal circumstances, goals, or general economic conditions may trigger changes in the plan. To the extent material changes have occurred to a client’s circumstances or goals, or to the extent a client requests a new plan, the client will be asked to sign a new Services Agreement. The client may initiate contact with the client’s CAM

Representative as often as needed and the CAM Representative will schedule conferences as needed, usually no less frequently than annually.

There is no minimum net worth requirement to receive Financial Planning Services. All of the services described above may take anywhere from three (3) to thirty (30) hours to complete. All investment adviser representatives will charge hourly rates at \$100-\$300, depending upon the complexity of the services requested all financial planning services are offered to all clients involving individuals and business entities. No minimum net worth is imposed on clients, and hourly fees are negotiable.

All planning services are based on information provided by the client. It is the client's responsibility to be certain CAM has current and accurate information to enable CAM to prepare the initial plan, and it is the client's responsibility to inform their CAM Representative of material changes affecting the investments and planning strategies implemented so the CAM Representative has them for future reference.

As disclosed in the "Other Compensation" section below, because CAM Representatives giving advice sell securities and insurance products, a conflict of interest exists between CAM's Representatives' interests and the interests of clients. To address this conflict, all transactions are reviewed to ensure they are in the best interest of the Client. Clients are under no obligation to act upon any CAM purchase or sale recommendation and, if a client elects to act upon a recommendation, the client is under no obligation to effect the transaction through CAM or any of its Representatives.

CAM Investment Management Services

CAM provides clients with portfolio management and reporting services by means of its CAM Investment Management Services program. Through the program, clients receive investment analyses, investment recommendations, quarterly statements reflecting holdings and transactions and ongoing account monitoring services by CAM Representatives allowed to provide services. Securities managed by CAM's Representatives may include stocks, bonds, mutual funds, annuity sub accounts, exchange-traded funds, private placements, and convertible securities. CAM will exercise discretionary trading authority while providing services after receiving written client consent. This means that CAM Representatives will have authority to purchase and sell securities of their choice in the amounts and at the times they believe it is suitable for a client's account to do so. CAM may also recommend the use of third-party investment managers to manage all, or a portion of the investments within the client's portfolio. Such managers will also have limited discretionary trading authority to place orders. For example, sub-advisor agreement has been established with Cornerstone Asset Management Services, Inc. (see below for more information).

The initial investment and asset allocation recommendations are based on the financial information gathered from each client including net worth, risk tolerance, financial goals and objectives, investment restrictions requested by the client and overall financial conditions. Based on this information, the client is provided with initial investment recommendations designed to provide an appropriate asset mix consistent with the client's objectives. The client's portfolio and its performance are then monitored by the client's CAM Representative in light of the client's stated goals and objectives. The frequency of these reviews and transactions made for a client's account are determined by the CAM Representative. CAM Representatives typically meet with the client on an as-needed or as-requested basis to discuss the portfolio and other aspects of the service. Clients are free to contact their CAM Representative at any time if they have questions about their accounts.

Investments are not held by CAM. Instead, all investments managed by CAM are usually held at the brokerage firm ("Custodian") through which transactions are placed. Custodians include, but are not limited to: Pershing, LLC, TD Ameritrade, Schwab, Rydex, ProFunds, Direxion. The CRD numbers of these broker-dealers are: (i) Pershing, LLC (7560); (ii) TD Ameritrade (7870); and (iii) Schwab (5393).

CAM does not assure or guarantee the results of its advisory services; thus, losses can occur from following CAM's advice pertaining to any investment or investment approach, including using conservative investment strategies.

As December 31, 2011 CAM, has approximately \$36,142,377 under discretionary management and none under non-discretionary management.

Sub-Manager Services

When suitable, clients may be referred to Cornerstone Asset Management Services, Inc. ("Cornerstone") (CRD 137712) for investment management. Cornerstone provides continuous asset management services to clients wishing to have their assets managed on a discretionary basis. Asset Management Services begin by Cornerstone assisting each new client determine the client's investment objectives. Cornerstone assists clients in establishing a securities account at a brokerage firm or annuity issuer designated by the client. Cornerstone then manages the client's assets in the account in a manner consistent with the client's objectives. While managing the account, Cornerstone representatives will make purchases and sales of investments in the amounts and at the times it deems appropriate. The services of sub-managers, including those described below, will not be recommended unless firm is registered, notice filed, or exempted from registration in the state where the client resides.

Warwick Strategy: When suitable, clients (other than Texas clients) may be referred to Gustafson Baxter Financial Services, Inc. (CRD 110289) ("GB"), an investment adviser, where Bruce Baxter is managing CAM client assets using Rydex, Profunds and Direxion funds, along with cash and money market funds. Mr. Baxter is the owner and an investment adviser representative of GB. He is also a Registered Representative for Concorde Investment Services, LLC. He has spent the last 20 years working on the Warwick Strategy to attempt to maximize investment returns while keeping client assets exposed to market fluctuations for a limited period of time. Mr. Baxter's Warwick Strategy uses advanced algorithms and technical charts to make short-term and long-term investment decisions. The strategy is a market timing service. Client funds are rotated between equities and money market accounts based on Mr. Baxter's signals. To enhance returns, Mr. Baxter may use leveraged funds based on client investment objectives and suitability.

Most managed accounts are composed of mutual funds or annuity sub-accounts. CAM's Representatives will implement various short and long-term investment strategies and give advice and take action in the performance of their duties to a client which may differ from advice given, or the timing and nature of action taken, with respect to other client accounts.

CAM does not guarantee the results of its recommendations and losses can occur from receiving management services.

Services Involving Referrals to Other Investment Advisers

CAM has entered into agreements with third party investment advisers specializing in management of mutual fund, sub-accounts of variable insurance contracts, stocks, bonds, and other securities. CAM refers clients to such third party advisers in return for a portion of the advisory fee paid by the client to these firms. Third party investment advisers include, but may not be limited to: Fairlane Advisors, Flex Plan Investments and other firms. The programs offered by these firms may not be available to all clients because of account minimums, client objectives and manager restrictions.

CAM's services include assisting a client in selecting a third party investment adviser whose investment styles and strategies suit the client's individual needs and financial objectives. The investments managed in these accounts are managed by managers specializing in the securities. CAM assists the client in completing an investment questionnaire to help guide the third party adviser's investment decisions for the client's accounts. CAM may also assist clients in making investment and portfolio allocation decisions for these accounts. Depending on the program selected by the client, the third party adviser may or may not have discretionary power to purchase or sell investments in the client's account. CAM Representatives monitor performance and are available to their clients to discuss the selected manager's performance. Also, clients may or may not pay a sales load for mutual funds or annuities, or commissions on other investments placed within the client's account. The services of other management firms, including those described below, will not be recommended unless the firm is registered, or have filed a notice, or is exempted from registration in the state where the client resides.

Fairlane Investment Advisors, Inc. ("FIA") (CRD 105624)

FIA offers an asset allocation investment management service on a discretionary basis primarily utilizing mutual funds and a limited number of stocks. FIA's clients include individuals seeking professional investment management of their 401(k), 403(b), IRA, trust and other non-qualified accounts. Client asset allocations are tailored to meet the investment objectives of the individual within client defined risk tolerance levels. The allocation of the client's assets will be designed according to models which are based on internal research and information available from outside sources. A reasonable restriction may be placed by the client. All assets are usually held by outside custodians: Fidelity Registered Investment Advisor Group, and other 401(k) or 403(b) plan custodians which are not affiliated with FIA.

Flexible Plan Investments, Ltd. ("Flex Plan") (CRD 110762)

Flex Plan manages its client accounts through one or more Strategic Solutions Strategies (which may include funds of which Flex Plan is sub-advisor. Each one of the 25 Strategies has its own portfolio name, investor profile and investment objectives. One or more of any of these strategies may be suitable for the client's portfolio. A wide variety of mutual funds are used to implement the investment manager's asset allocation.

Other Managers

As indicated above, managers other than Fairlane and Flex Plan will be recommended for services depending upon client goals and investments in the client's account.

Wrap Fee Programs

CAM does not currently offer any CAM wrap-fee services where both commissions and advisory fees are covered by one asset-based fee.

Item 5 - Fees and Compensation

Fees paid to CAM are for CAM advisory services only. Lower fees for comparable services may be available from other advisers. The fees do not include, for example, the fees charged by third parties such as third-party managers, or accountants and attorneys assisting with providing the client with accounting and legal advice. Commissions on transactions and other account fees will also be charged by brokerage firms, including Concorde Investment Services, in accordance with the account's brokerage firm's normal commission schedule. See Item 12, Brokerage Practices. Customary commissions on insurance are also not included. Fees are negotiable. Negotiated fees vary with the scope of services requested, anticipated new assets, or value of assets to be managed. Approximately 60% of managed account fees are negotiated.

Prospective clients should be aware that in addition to CAM's advisory fees, each mutual fund in which a client's assets are invested also pays its own advisory fees and other internal expenses which already have been deducted from the fund's reported performance. Depending on the fund, a client may be able to invest directly in the shares issued by the fund with or without incurring any sales or third-party management fees. Account maintenance fees are also deducted by the custodian.

In addition, there are tax effects pertaining to fund share redemptions, and other investment sales, made by CAM on behalf of clients. Redemptions and sales are taxable events which may accelerate the recognition of capital gains, and losses, and frequent redemptions and sales may result in short-term, rather than long-term, capital gains and losses.

Financial Planning Services Fee

Fees charged for Financial Planning Services are negotiable and are based on a fixed-fee per project basis, or on an hourly fee basis. There is a \$300 minimum flat fee, or an hourly range from \$100 to \$300, depending on the complexity and nature of the project. All fees are negotiable and all projects are completed within six months.

Hourly rates and total fees are determined by each CAM Representative estimating the complexity of the client's circumstances, the level of skill required to perform the service, and the amount of time that will be required to perform research, analysis, and plan preparation. The estimated fee is disclosed to the client prior to contract signing.

As an alternative to an hourly charge, CAM and a client may agree upon a flat fee for financial planning services. Flat fees may range from \$300 to \$10,000, depending upon the scope of services requested. Fees for comprehensive planning and advice involving a specific project are quoted in advance, with half of the fee payable at commencement of the engagement and the other half payable at the conclusion of the engagement.

CAM's hourly fees are negotiable and typically range from \$100 to \$300 for CAM's professional staff and \$50 to \$80 for its administrative and support staff. Generally, CAM's standard hourly rates are as follows:

<u>Investment Adviser Representative Experience Level</u>	<u>Hourly Rate</u>
10 or more years:	\$300
5 years but less than 10 years:	\$200
Less than 5 years:	\$100

<u>Administrative Staff Support</u>	<u>Hourly Rate</u>
Registered Administrative Managers/Supervisors	\$80
Registered Administrative Staff	\$60
Non-registered Administrative Staff	\$50

Typically, planning costs could be:

Financial Plan	10 hours @ \$200/hour	\$2,000
Insurance and Risk Management Review	8 hours @ \$200/hour	\$1,600
Employee Benefits Planning	6 hours @ \$250/hour	\$1,500
Income Tax Planning	6 hours @ \$150/hour	\$ 900
Complex Retirement and Estate Planning*	30 hours @ \$300/hour	\$9,000

*Complex Retirement and Estate Planning services include a detailed retirement plan to include analysis of current assets and anticipated cash flows; investment recommendations related to annuities, life contracts and other long-term investments; analysis of tax-deferred accounts and anticipated cash flows; insurance coverage's and level of benefits; education funding from long term assets; gifting of assets from estate assets; assistance with attorneys and accountants to establish trusts and wills; conferences with client heirs to discuss results of plan.

As an example, a simple Retirement and Estate Planning plan for a client having a net worth of between \$200,000 and \$1,000,000, depending on the circumstance of the client, will cost from \$2,500 to \$4,500 for 10 to 15 hours of work. In all cases CAM representatives evaluate the investments and other assets subject to the services, the number of parties and accounts to whom advice is provided, scope of record collection, nature and number of estate transactions, reports required, need to meet with third party accountants or attorneys, and scope of retirement investment reviews. Thus, those clients having net worths over \$1 million, or with complex estates or service requests, will likely incur fees from \$4,500 to \$9,000.

The fee is payable directly by a client and not deducted from the client's account. Fifty percent of the flat fee is due in advance with the balance due after project completion. Projects are completed within six (6) months. The fee may be waived in whole or in part by a Representative or CAM at their sole discretion. Each client retains the right to terminate the Financial Planning Agreement with CAM at any time, in writing and for any reason. CAM may terminate any engagement at any time, for any reason, by giving 7 business days advance written notice. Any unearned pre-paid fee is returned to the client upon termination, and any fee earned by CAM but not paid by the client is due from the client at termination.

Clients and prospective clients should be aware that lower fees for similar services may be available from other services.

The fees described above may change based on special situations such as an expansion of a project, increase in the number of reviews, more specialized needs of the client, more complex planning, or more detailed reporting. Before such a change may be made, the client is given 10 business days prior written notice.

Fees do not include product transaction commissions, or the fees for third-party professional services, e.g., investment managers, attorneys, accountants or other third parties.

CAM Investment Management Services Fee

Fees for CAM Investment Management Services are negotiable and calculated as a percentage of the total value of investments under CAM's management at the rates set forth in the Fee Schedule on the next page. In addition to this advisory fee, there may, depending upon the type of security, be transactional and commissions charged by the account's custodian. Administrative and servicing fees may also be charged by third party broker-dealers and custodians.

Concorde Asset Management - Platform Expenses

I.

Concorde Platform Pricing IAR as Manager for Own Accounts ¹						
\$0 - \$24,999.99	\$25,000 - \$49,999.99	\$50,000 - \$99,999.99	\$100,000 - \$249,999.99	\$250,000 - \$499,999.99	\$500,000 - \$999,999.99	\$1,000,000 +
.45%	.33%	.24%	.20%	.17%	.16%	.15%

A.

Standard Third Party Manager Platform Fee IAR as Manager for Own Accounts ²	
+.15%	
Third Party Platform Manager Fee (.17% - .80%)	

B.

Concorde Select Third Party Manager Platform Fee IAR as Manager for Own Accounts ³	
+.10%	
Third Party Platform Manager Fee (.17% - .80%)	

C.

Recommended Model Allocations Utilizing Recommended Third Party Platform Managers ^{4,5}			
\$100,000 - \$249,999.99	\$250,000 - \$499,999.99	\$500,000 - \$999,999.99	\$1,000,000 +
.30%	.29%	.28%	.27%
No Additional Third Party Platform Manager Fee			

II.

Representative - Annual Platform Expenses	
_____ % Annually	

^{1, 4} Fees due are equal to Concorde's fee, Schedule I, the program fees, Schedules A and/or B, plus Representative fee, Schedule II. Where a Client selects a Manager Allocation program, the fees in Schedules C and II apply, but no separate Manager fee applies. Thus, fees will vary based upon the service program selected by the Client, the Manager's fee, and the final fee negotiated with Concorde's Representative. The fees are subject to change at any time upon 30 days advance written notice to Client.

² Clients having their Account managed only by Concorde are subject to the fees specified in Schedule I. and the Representative fee, Schedule II.

³ Additional annual asset-based servicing fees are added to Schedule I. Where Concorde uses Managers selected by others, Schedule A applies. Where Concorde selects its own Managers for use Schedule B applies. Where Schedules A or B apply, the Managers selected also charge their own fees to the Client which vary as shown.

⁵ Minimum account size is \$125,000 for mutual funds and \$100,000 for ETF's.

All fees due are set forth in each client's Discretionary Investment Management Agreement.

Advisory fees may be paid quarterly in arrears, or in advance, as specified in the Investment Management Services Agreement with the client. Fees are calculated on the basis of the market value of the investment in the account, including any balances held in money market funds. The fee for the initial quarter is pro-rated for the period that services are provided for more than 30 days. Subsequent fees are based upon the market value of the account as of the last business day of the previous quarter. Also, the account balances of related accounts may, at CAM's discretion, be combined for fee calculation purposes. The Investment Management Services Agreement may be terminated at will upon written notice by either party. Upon termination of the Agreement, any pre-paid advisory fees will be prorated to the date of termination and refunded. If fees are being paid after services are provided, the client is responsible for payment of the fees earned by CAM to the date of termination. The fees are applied and prorated for \$20,000 or more of assets added to the account during any quarter. No pre-paid fee is returned based upon partial withdrawals by a client. The Investment Management Service Agreement may be terminated by seven (7) business days advance written notice from either party to the other. For fee calculation purposes, CAM may combine the values of related accounts.

CAM may amend its fee schedule upon thirty (30) business days advance written notice to the client.

The fees paid to CAM are for CAM's advisory services only. CAM will include the cost of independent third-party manager services, which will vary from manager to manager, in its fee only in those instances where the client has not entered into an agreement directly with the manager of the amount charged by CAM. Sixty percent (60%) or less typically goes to the sub-adviser. Commissions and other account fees may be charged in accordance with the account's brokerage firm's normal commission schedule.

Fees payable to CAM for CAM Investment Management Services are, with the client's prior permission, automatically deducted from the client's account when due. When required by law or rule, the client will receive an itemized invoice from CAM in advance of fee deductions, including the formula used to calculate the fee, time period covered, and value of assets on which the fees are based. Each client also receives reports from the account's custodian, showing the fee amounts debited. CAM will liquidate money market shares to pay the fee and, if money market shares or cash value are not available, other investments will be liquidated. Authorization for the deduction of fees from the managed account is contained in the Investment Management Agreement. The client may terminate the authorization for automatic deduction at any time by notifying CAM in writing.

Fees for Services Involving Referrals to Other Investment Advisers for Mutual Fund and Variable Annuity Management Services

CAM's Representatives are free to negotiate the fee with each client for many of the programs, including Fairlane Advisors and Flex Plan Investments. The fees may be higher than obtainable from other advisers providing similar services, including CAM itself. The range of fees for various programs utilized by CAM differ but usually range between .50% and 2.5%. Clients should be aware of the fact that total fees above 2.0% per year are higher than could be obtained from other management firms.

CAM does not pay fees to these firms. Instead, CAM is paid by them. CAM's portion of the total fees described above typically ranges from .50% to 1.50%. Because CAM's Representatives are free to negotiate fees, fees will vary from client-to-client for similar or identical services. Fees are deducted

from the client's account by the firm providing the service and CAM's portion is sent to it. Any prepaid unearned fee is prorated and returned to the client.

Clients should also be aware that, absent transaction charges, total fees exceeding 2% per year are generally considered higher than those charged by other comparable programs available to a client.

The services, reports and contract termination provisions provided by these programs vary as do the costs. Clients are encouraged to obtain and carefully review the contracts and disclosure documents of the third party manager and/or program sponsor whose services they are considering, including Part 2A of Form ADV, so they understand fully the services being provided and fees being charged. Clients are also encouraged to compare programs.

Other Compensation

CAM is affiliated with Concorde Investment Services, LLC ("CIS"), (CRD No. 151604), a securities broker-dealer, and Concorde Insurance Agency, Inc.,. Many of CAM's Representatives are licensed to offer securities and insurance products through these firms. CIS and the Representatives may receive customary commissions for the sale of such products should a client decide to make purchases through CIS and a Representative. Clients are free to purchase such products from other providers, other than through CIS and the Representative. This compensation creates a conflict of interest when purchase recommendations are made. All prospective and existing clients are hereby advised that this conflict exists. A CAM Representative may recommend either no-load or load mutual funds for a client's account. In all cases, the investments are supervised to ensure they are in the client's best interest and consistent with the client's investment objectives. Advisory fees are not reduced by the amount of sales compensation a Representative receives, but Representatives may consider commissions as a factor when determining asset-based fees. Also, CAM typically does not allow an asset-based advisory fee to be paid for two years on investments paying a load to the client's Representative.

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

CAM does not charge any performance-based fees. All fees are disclosed above.

Item 7 - Types of Clients/Minimum Account Size

CAM makes Financial Planning and Investment Management services available to a wide variety of clients including, but not limited to, individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

CAM generally requires a \$50,000 minimum account size for CAM Investment Management Services, At its discretion, CAM may waive this requirement depending on client circumstances. Regardless of CAM's minimum account size, there may be other minimum account sizes and fees imposed by third-party managers providing services.

There is a minimum fee of \$300 for Financial Planning Services which may be waived at the discretion of CAM.

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

CAM's security analysis methods include, but are not limited to, fundamental analysis (evaluating securities based upon its historical and projected financial performance); and cyclical analysis (determining the desirability of an issue based upon the status of an issue within the price cycle the security or similar securities have followed historically) All securities analysis methods and strategies, even those used by CAM may involve a high degree of risk and losses can occur.

CAM's main sources of information include, but are not limited to, financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, public filings and company press releases.

Neither CAM, nor the third party managers it may secure, guarantee the results of the advice given. Thus, significant losses can occur by investing in any security, or by following any strategy, including those recommended or applied by CAM.

CAM may recommend traditional exchange-traded funds ("ETF"). ETF shares are bought and sold at market price unlike mutual funds. ETFs are subject to risks similar to those of stocks.

Item 9 - Disciplinary Information

Jason Kavanaugh, a 39% equity owner of CAM's parent company, Concorde Holdings, Inc., did agree to a settlement of a disciplinary matter with FINRA during February 2009, with a fine being paid during August 2009. By agreeing to accept a FINRA Acceptance, Waiver and Consent, during February 2009, (Matter No. 2008012199301). Mr. Kavanaugh incurred a fine by FINRA in the amount of \$10,000, which was paid during August 2009, for purchasing an interest in a private offering without providing his brokerage firm with written notification that he intended to purchase the interest, and without obtaining prior written approval for the purchase of the interest from the brokerage firm. This purchase was alleged by FINRA to be a violation of FINRA Rules 2110 and 3040.

Item 10 - Other Financial Industry Activities and Affiliations

CAM is affiliated with Concorde Investment Services, LLC ("CIS") (CRD No. 151604) which is a securities broker-dealer and sells securities and insurance to clients. CAM's Representatives may receive customary commissions for the sale of such products should a client decide to make purchases through its Representatives. This compensation creates a material conflict of interest. To address this conflict all for-compensation transactions are reviewed to ensure each is made in the best interest of each client. All prospective and existing clients are hereby advised in accordance with California regulation CCR Sec. 260.238(h) and other regulations that this conflict exists. Approximately 10% of CAM Representative's time is spent on advisory services if the Representative is registered as a securities representative for CIS. Those CAM Representatives who are not securities representatives spend 100% of their time providing advisory services.

CAM and CIS are under common control of Concorde Holdings, Inc. which may also offer insurance through its sole ownership of Concorde Insurance Agency, Inc. To the extent products or services of these entities are offered, a conflict of interest exists. Also see Item 5.

As mentioned in Item 4 above, CAM may refer clients to other investment advisers in return for a fee from those advisers. Prior to recommending a third party adviser, CAM will ensure that the firm is properly registered, noticed filed, or exempted from these requirements in the state where the client resides. These referral fees create a conflict of interest. No referral is made unless the third-party manager's services are suitable. To address this conflict, CAM supervisory personnel review the referrals in advance to ensure they are in the client's best interests.

As indicated in Item 4, Mr. Bruce Baxter, as a Securities Representative for CIS and an investment adviser representative for an independent investment adviser, Gustafson Baxter Financial Services, Inc. ("GB") which provides sub-manager services to client accounts referred to it by CAM. Therefore, a conflict of interest exists when client accounts are referred to and managed by GB. To address this conflict, all referrals are reviewed in advance to ensure the service is in each client's best interest.

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

When CAM Representatives make recommendations for the purchase of insurance or securities they also receive customary commissions as insurance salespersons or securities registered representatives. The receipt of commissions in return for insurance or securities product purchases creates a conflict of interest for Representatives when they recommend the purchase of such products to clients. To address such conflicts, CAM reviews such transactions to ensure consistency with the client's investment objectives and to ensure all such transactions are made in the client's best interest.

Representatives of CAM may buy or sell securities for themselves that they also recommend to clients, which represent a conflict of interest. Where a transaction for a Representative, or an account related to a Representative, is contemplated, a client's transaction is given priority. CAM has developed a Code of Ethics applicable to all persons who have access to confidential client records or to recommendations being made for client accounts. Designed to mitigate conflicts of interest between the financial interests of clients and the interests of the firm's staff, the Code requires, among other procedures, such "access persons to obtain approval of certain securities transactions, to report transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at the firm to determine whether to allow or prohibit certain employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities for clients' accounts. The Code also established certain bookkeeping requirements relating to federal reporting rules. The Code is required to be reviewed annually and updated as necessary. A complete copy of the firm's Code is available upon request.

Item 12 - Brokerage Practices

Although they generally do not exercise discretion to select brokerage firms, CAM Representatives typically require, for CAM Investment Management Services, the custodial and transaction services of Pershing, LLC, Schwab or TD Ameritrade, all registered broker-dealers, members FINRA/SIPC ("Custodians"). CAM has chosen these Custodians based on their overall level of services and support provided to clients and will not evaluate the commissions and services of other broker-dealers.

Clients should be aware that, with the exception of clearing firms used by Concorde Investment Services, e.g., Pershing, there is no direct link between these Custodians and CAM in connection with the advice CAM gives to clients. CAM receives economic benefits through the custody and operating relationships

it has with these Custodians that are not typically available to retail investors. These benefits include the following products and services, provided to CAM without cost or at a discount: duplicate client statements and confirmations, research related products and tools, consulting services, access to a trading desk serving Representatives, access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares directly to or from client accounts), the ability to have advisory fees deducted directly from client accounts, access to an electronic communications network for client order entry and account information, access to mutual funds with no transaction fees, and discounts or no fees on compliance, marketing, research, technology, and practice management products and services provided by third-party vendors. These Custodians may also pay for business consulting, professional services, and research received by CAM affiliated persons and may also pay or reimburse expenses (travel, lodging, meals, and entertainment expenses) for CAM personnel to attend conferences or meetings relating to their service platforms or to their advisor custody and brokerage services generally. Some of these products and services made available by these Custodians, may benefit CAM, but may not benefit its clients. Such other services made available by these Custodians are intended to help CAM manage and further develop its business enterprise, and such services may or may not depend on the amount of brokerage transactions directed to them.

Clients should be aware that the receipt of economic benefits by CAM described above, in and of itself, creates a conflict of interest and may directly or indirectly influence CAM's recommendation of these Custodians for custody and brokerage service. Thus, the receipt of these services creates an incentive and conflict of interest for CAM when it recommends these Custodian services.

Other than the services described above, CAM and its Representatives do not direct transactions and the commissions they generate (soft dollars) to brokerage firms or other parties to receive research or other benefits.

Clients should be aware of the fact that not all advisers require clients to use a particular brokerage firm. Because clients having accounts managed by CAM are required to open accounts with, and use the transaction services of, these Custodians, CAM may not be able to achieve the most favorable execution of client transactions. Thus, use of only these Custodians may cost clients more money.

CAM does not process transactions through these Custodians in return for these Custodians referring new clients to CAM.

CAM may combine similar client orders into one aggregate order for the purpose of obtaining an average price for all customers participating in the order.

Item 13 - Review of Accounts and Reports

For clients receiving Counseling and Financial Planning Services, a written project report or comprehensive financial plan is prepared in the scope requested by the client during the initial interview and subsequent counseling sessions. Reviews of financial plans are performed from time to time by the CAM Representative and planning staff at the times requested by a client and as the CAM Representative deems appropriate. More than one CAM Representative may be involved in the development of a plan and, with the client's permission, the client's legal and accounting professionals may be involved. When outside professionals become involved in the planning process, the cost of the outside professionals is the responsibility of the client.

Clients receiving CAM Asset Management Services receive reports at least quarterly from their account's custodian. The client may receive a written performance report as often as is agreed upon between the client and CAM, but not more often than quarterly. The client's portfolio is regularly reviewed by the client's CAM Representative as frequently as agreed upon by the client and the CAM Representative, or more frequently if the CAM Representative determines, to ensure the investments in the account are in line with the client's stated investment policy guidelines. Clients are encouraged to compare the information on any account statement received from CAM to that shown on custodial statements.

Item 14 - Client Referrals and Other Compensation

CAM does have client referral relationships. It does not pay any fee to a third party for making client referrals to it. Also, as indicated above, the firm does not direct brokerage transactions to any third party, including CAM affiliates, in return for client referrals. However, the firm does refer clients to third party investment managers in return for a referral fee. See Items 4 and 5 relating to recommendations of third party managers.

Item 15 - Custody

CAM does not take custody of client funds or securities. These safekeeping services are typically provided to accounts only by the brokerage firm processing the securities transactions ordered by CAM.

To the extent a client receives any account or other investment ownership statement from CAM, CAM recommends the client carefully compare the information in the report to that in the custodian's statements.

Item 16 - Investment Discretion

When providing Investment Management Services, CAM Representatives may exercise discretion when granted authority by clients and most clients grant discretionary authority to CAM. When doing so, it allows CAM to select the securities to buy and sell, the amount to buy and sell, when to buy and sell, and the commission rate paid, without obtaining specific consent from the client for each trade. Clients should be aware that CAM Representatives may make different recommendations and effect different trades with respect to the same securities and insurance to different advisory clients. Commissions and execution of securities transactions implemented through the custodian/broker dealer recommended by CAM may not be better than the commissions or execution available if the client used another brokerage firm. However, CAM believes that the overall level of services and support provided to the client by custodians and broker-dealers whom CAM recommends outweighs the potentially lower costs that may be available from other brokerage service providers.

Depending on the service agreement, third-party managers used to manage client accounts or portions of client accounts may be hired or terminated by CAM using discretionary authority granted to CAM by a client. Such third-party managers also have authority granted by the client to purchase and sell securities at their discretion.

When exercising discretion, CAM may combine orders for more than one client's account to form a "block" order for the purpose of seeking a better price and or execution. When a block order is executed, the broker/dealer executing the order typically allocates an average execution price to all shares in the

block order, which CAM then allocates to each customer's account position on a pro rata basis. Should a block order only be partially filled, available shares are distributed in a manner fair to all accounts.

If a client directs CAM to effect transactions through a particular broker/dealer, including CIS, CAM will do so. However, such an instruction may have implications to the client which may include incurring transaction costs and commissions that may be higher or lower than if the instruction had not been given. Also, restricting CAM to particular broker/dealers may limit CAM's ability to include a client account order within block orders to obtain the best price or execution. In addition, if CAM is effecting transactions in a security for clients by means of a block order, as well as an order in the same security for a client who has directed CAM to use a particular broker/dealer, CAM will effect the block order immediately prior to effecting the directed brokerage trade. Thus, clients directing CAM to use a particular broker/dealer may not receive the same average price for securities bought or sold that would be received if the order was part of a block order.

In those instances where an order error occurs by CAM, it is CAM's policy to reverse the order to make the client's account whole.

Item 17 - Voting Client Securities

CAM and its Representatives do not vote proxies on behalf of clients who will receive such notices from their account's custodian.

CAM also does not take any action on legal notices it or a client may receive from issuers of securities held in a client's managed account. However, it is available to answer questions regarding such notices.

Item 18 - Financial Information

CAM does not receive fees of more than \$500 six months or more in advance, thus no financial statement for CAM is attached. CAM does not have any financial condition that is reasonably likely to impair its ability to meet its contracted commitment to any client.

CAM has not been the subject of any bankruptcy petition during the past.