

Amerigo Asset Management Corp.

A Registered Investment Advisor

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FORM ADV PART II

Uniform Application for Investment Advisor Registration

Firm CRD: 153607

This brochure provides information about the qualifications and business practices of Amerigo Asset Management Corporation. If you have any questions about the contents of this brochure, please contact us at 972-432-4648 and/or jpiot@amerigoam.com. The term “registered investment advisor” does not imply a certain level of skill or training. 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.

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

V: 3.1 The Date of this Brochure is: 6.28.2012

AMERIGO ASSET MANAGEMENT CORP.

ADV II

ITEM 2: Material Changes to ADV II version 3.0 and 3.1

The following material changes were made to the Amerigo Asset Management Corp. ADV II, v. 2.1 dated September 30, 2011 and are now incorporated into ADV II v 3.1 dated May 31, 2012.

1. The Table of Contents page numbers have been changed to reflect a 10 point font used in printing of the document and to comply with the SEC ADV requirements.
2. Front page of the ADV reflects a change to the web site and email from amerigomgmt.com to amerigoam.com
3. Page 5 – Inclusion of the direct Pension Plan Advisory service offerings
4. Removal of the Inflation and Bear Market Portfolios in their entirety, page 5.
5. Page 9 addition to paragraph 1 that Amerigo Asset does not manage portfolios for tax considerations.
6. Page 9 removal of Core Investment Strategies vs. Portfolio's, and noting that the tax-free income portfolio may have taxable income and capital gains in addition to tax-free income.
7. Page 9 removed Bond/Fixed income portfolio and Use of the Inflation and Bear Market portfolios paragraphs in their entirety due to clarification with Core Investment Strategies and replaced with "Use of Inverse and Leveraged ETF's."
8. Page 5 update to Assets under Management
9. Page 6 – change to Fees and Compensation from billing in arrears to advance quarterly billing for fees.
10. Page 7 – change to Other Fee Based Investment schedules providing clarification as to third party manager fees and the Amerigo Asset fee.
11. Page 8 – clarification and addition of the Personal Financial Planning Fee computerized planning module pricing.
12. Page 10 – Risk of Loss addition of Some Exchange Traded Funds report an annual K-1 which is in addition to the Amerigo Asset Clearing firm year end reports.
13. Page 10 Other Financial Industry Activities and Affiliations – clarification as to Amerigo Asset advisors are not owners of the affiliated listed companies.
14. Page 12 – Review of Accounts – clarification as to clearing firms providing monthly reports instead of "sending" as they provide via email without charge.

ITEM 3:**FORM ADV PART II
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ITEM 4. ADVISORY BUSINESS:

- A. Amerigo Asset Management Corp. is located at 16051 Addison Road, Suite 212, Addison, TX 75001. The principal owners of Amerigo Asset Management Corp. (hereinafter referred to as “Amerigo Asset”), are James L. Piot and Steven L. Burks. Amerigo Asset has been a registered investment advisory firm since May 27, 2011. Amerigo Asset may register or meet exemptions to registration in other states where it conducts business as required. The Company primarily operates as an investment adviser to individuals, pension and retirement plan trustees.

The principal owners of Amerigo Asset are both series 65 Registered Investment Advisor Representatives and stockholders of Amerigo Asset Management Corp.; their previous securities industry history may be found on the SEC advisory system at: <http://www.sec.gov/investor/brokers.htm>

There are no intermediate subsidiaries of Amerigo Asset.

B. ADVISORY SERVICES:

Amerigo Asset Management Corp. is an asset management and advisory services company providing services to individual clients, institutions and pension plans. Additionally we offer financial planning services directly and through independent financial planning representatives of the company. We are a fee based money management firm and offer consulting services on an hourly basis. Amerigo Asset utilizes internally derived portfolios reviewed daily (and modified if necessary), by applying current technical and/or fundamental analysis on a 3 month – 3 year market basis. There are two types of investments available:

- Direct client investment in an Amerigo Asset objective portfolio (also called “Folio’s”).
- Client Allocation Portfolios which are Amerigo Asset pre-defined allocated percentages of the

Amerigo Asset Folio’s combined into one investment called the Client Allocated investment.

The technical analysis performed by Amerigo Asset is based both on a proprietary quantitative-momentum derived formula that is applied to Exchange Traded Funds (ETFs) that generates a daily ranking of investment opportunities, and technical analysis. Our technical analysis is a subjective graphical charting interpretation of market price action over a 3 month – 3 year basis for both ETFs and individual stocks. Certain stock selection includes a fundamental analysis of profitability growth and other internal factors.

For the clients whose accounts can be assigned an “aggressive growth” style we offer a market trend service based on Amerigo Asset identified trends which are applied as an integral part of the client’s investment portfolio. The market trend application involves the use of leveraged ETFs for both positive and negative market trends. The market trend application is designed to hedge the client’s portfolio risk during market declines, and improve portfolio growth during periods of market improvement. There can be no assurance that application of the market trend service will improve a client’s investment returns.

Amerigo Asset offers financial planning services based on the NaviPlan™ planning software. A client does not have to participate in portfolio management services to utilize the planning services. The services include detailed forward planning of investment and lifestyle needs in addition to estate and charitable giving. Amerigo Asset does not provide legal or accounting services but will work with the clients selected professionals in the financial planning process. *Note: NaviPlan™ is a registered trademark of Zywave Corp. Milwaukee, WI.*

Amerigo Asset offers two (2) types of pension planning services:

- Hourly Consulting services are offered to pension plan trustees for review of investments, investment allocations and selected asset managers. Our portfolio risk analysis evaluation includes a global economic “what-if” application based on the current investments and their possible price risk under various global economic scenarios. Services are provided at the consulting rates provided in our ADV II fee schedule.
- Direct Asset Management as provided under our investment management services. We utilize client selected third party administrators to administer the plan.

C. INDIVIDUAL CLIENT NEEDS:

Amerigo Asset will tailor the individual stock and/or ETF selection to client needs if so requested, however our standard advisory portfolio management service is assigned to one of four (4) portfolio allocations:

- Aggressive Growth
- Growth and Income
- Income
- Tax Free Municipal Income

Clients may impose restrictions on investing in certain securities or types of securities for their account when they complete their Investment Advisory Services Agreement.

D. WRAP FEE PROGRAMS

Amerigo Asset does not participate in or offer wrap fee programs.

- E. Amerigo Asset manages only discretionary client portfolio assets and as of May 31, 2012 has a total of \$5.5M of managed client assets, with an additional \$1.0M pending installation.

ITEM 5. FEES AND COMPENSATION:

- A. Amerigo Asset is compensated for our advisory services either as a fee percentage of assets managed, or hourly consulting.

B. Amerigo Asset charges an annual management advisory fee based on a percentage of each account's assets under management. In addition, a clearing firm transaction fee may apply to all client accounts and transactions. The minimum account size is normally \$100,000. Fees and account size may be negotiable based upon a number of factors including, but not limited to, the client's objectives, family or other related accounts, assets currently under management and the investment strategy employed, however fees will not exceed the fee schedule contained in this document. Amerigo Asset does not provide for billing of asset fees to the client. **The asset management fees are billed quarterly, in advance, on a 90 day quarter and a 360 day year and are deducted directly from client assets by the clearing firm.** The fee is determined by the total of all accounts under management at the end of a quarter not including assets invested in REITS or annuities. Fees will be debited from the account in accordance with the client authorization and be based on the Amerigo Asset ADV II current fee schedule. The management fee is calculated for each quarter based on the value of the account on the last business day of the quarter ending. Fee accounts that are opened on a day other than the first day of the calendar quarter or closed on a day other than the last day of the quarter will pay a prorated fee. The initial fee will generally be deducted from the clients' account at the end of the first full calendar quarter along with any set-up fee and the fee for the next forward full quarter. The initial fee will be calculated based on the account quarter ending value from the date the account was funded and prorated until the end of the quarter based on their quarter ending account value. Should a client wish to terminate his agreement with Amerigo Asset any fees charged in advance of the final quarter will be adjusted pro-rata from the date the account is transferred or mailed out and the fee will be refunded to the client from which it was charged within ten (10) days of client transfer. There may be other fees to cover portfolio setup, execution, brokerage and custodial costs. Applicable fee schedules are as follows:

THE Amerigo Asset MANAGEMENT ACCOUNT FEE SCHEDULE

Managed Growth Accounts from \$25,000 to \$1,000,000 in total assets:

Total Assets	One-time Portfolio Set-up and Consultation Fee**	On-going Management Fee
\$25,000 to \$49,999	1%	2.25%
\$50,000 to \$99,999	.7% (not to exceed \$700)	2.25%
\$100,000 to \$499,999	no charge	2.00%
\$500,000 to \$1,000,000	no charge	2.00%

**** The up-front cost covers the portfolio set-up it also covers any planning counsel that you need to get started, and may be waived by Amerigo Asset if circumstances warrant.**

Managed Growth Accounts in excess of \$1,000,000 in assets are charged on a tiered schedule without any one-time set up or planning counsel fees:

The first \$1,000,000	2.00%
The next \$2,000,000 or portion thereof	1.85%
The next \$2,000,000 or portion thereof	1.25%
Additional assets above \$5,000,000	Negotiable

Managed Income Accounts are charged on a tiered schedule without any one-time set up or planning counsel fees:

First \$100,000	(Minimum \$100.00 per year)	1.5%
The next \$100,001 to \$1,999,999		1.0%
The next \$2,000,000 or portion thereof		.7%
The next \$2,000,000 or portion thereof		.5%
Additional assets above \$5,000,000		Negotiable

Static Portfolios (Buy and Hold for minimum of 1 year or longer) – Account monitoring, year-end reporting and analysis:

First \$100,000	(Minimum \$100.00 per year)	.5%
Additional assets above \$100,000		.25%

Disclosure: Client acknowledges receipt of Part 2 of Form ADV; a disclosure statement containing the equivalent information; or a disclosure statement containing at least the information required by Part 2A Appendix 1 of Form ADV, if the client is entering into a wrap fee program sponsored by the investment adviser. If the appropriate disclosure statement was not delivered to the client at least 48 hours prior to the client entering into any written or oral advisory contract with this investment adviser, then the client has the right to terminate the contract without penalty within five business days after entering into the contract. For the purposes of this provision, a contract is considered entered into when all parties to the contract have signed the contract, or, in the case of an oral contract, otherwise signified their acceptance, any other provisions of this contract notwithstanding

C. Other Fees:

Other Fee Based Investment Managers

There are times when either the Amerigo Asset management process is not suitable for the client or the client does not meet the minimum asset requirements in such cases we may refer you to another management firm who may pay us a one-time referral fee. Amerigo Asset does not have any pre-arranged referral plans with any other management firm.

Transaction Fees

The clearing firms used by Amerigo Asset charge holding and/or transaction fees in accordance with their fee schedule at the time. Currently Amerigo Asset uses Folio Institutional Inc. holding and clearing of all client business. Folio will charge the client quarterly clearing fees in existence at that time that will be deducted from client assets.

Client Account Close-out Fee: \$100.00 per account. Clients terminating their account with Amerigo Asset will be charged a one-time close-out fee that will be deducted from their account prior to transfer. This fee is in addition to any management fees charged through the date of transfer.

Buy and Hold Fees

In some cases a client may have an individual security or several securities which they do not want liquidated. In such instance, if the securities are held in an Amerigo Asset Client Portfolio the market value of such securities will be deducted from the client portfolio value prior to quarterly fee calculation determinations and instead will be charged a rate of 0.5% on the first \$100,000 and 0.25% of the market value thereafter annually (collected quarterly) for monitoring and reporting services. There is a minimum charge of \$100.00 per year for portfolio buy and hold services plus applicable clearing firm fees, if any. Buy and Hold fees will be deducted from client assets.

D. Fees Billed in Advance

In accordance with Section II Fees and Compensation management asset fees are billed in advance on a quarterly basis. Please refer to Section II for further detailed information.

E. SUPERVISED PERSONS COMPENSATION

Amerigo Asset does not provide compensation for the sale of securities or other investment products including asset-based charges or service fees from the sale of mutual funds to supervised persons. Additionally, we do not receive commissions or service fees from the sale of mutual funds.

THE PERSONAL FINANCIAL PLANNING FEE

Amerigo Asset Services consulting are offered at an hourly rate of \$350 per hour. Additionally, clients may be charged a reduced hourly fee of \$125 per hour for services performed by back office or administrative staff, and will be billed monthly for services offered

Financial Planning clients will be modeled using the NaviPlan™ computerized financial planning system and incur one-time module set-up fees of:

- Financial Needs Analysis: \$500.00
- Financial Needs Assessment: \$250.00
- Financial Needs Summary: \$250.00
- Retirement Distribution Summary: \$550.00
- Asset Allocation: \$250.00
- Cash Flow Forecast: \$250.00
- Net Worth Forecast: \$250.00
- Tax Summary: \$125.00 *
- Tax Summary minimum depending on complexity*
- Annual Plan Module Update Fees: \$1,250.00/year (minimum)
- Note: Hourly fees may be in addition to the module fees depending on complexity and time required for creating of the client Financial Needs Analysis and will be disclosed prior to the start of any new or existing plan. * **The tax summary** is based solely on client input, Amerigo Asset does not provide tax or legal consulting but will work with the clients selected professionals. Additional expenses may include reimbursement at cost for any third party services required to complete the plan, (including printing, research, appraisals etc.).
- One-time Module set-up fees are due at the time the financial plan is presented to the client.

While it is assumed that the advisory client may purchase any insurance and investment products from the financial planner, the client is under no obligation to do so, as outlined in the advisory contract. The client pays the same fee for advisory services regardless of which financial planner is used, and whether or not products are purchased from the Amerigo Asset financial planner. The client also pays the same price and commissions for products, whether or not a financial plan was provided to the client by Amerigo Asset (for Modular Financial Advisement services). Should clients choose to use another broker/dealer or investment adviser, the client may pay more or less than the fees associated with the same or similar purchased through Amerigo Asset and its affiliations.

General Information on Fees

The asset management fees charged are calculated as described within the Form ADV Part II and is not charged on the basis of a share of capital gains or upon capital appreciation of the funds or any portion of the funds of an advisory client (SEC Rule 205(a)(1)).

All fees paid to Amerigo Asset for investment advisory services are separate and distinct from the fees and expenses charged by Exchange Traded or Mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus and will generally include a management fee, other fund expenses, and a possible distribution fee. The fund may also impose sales charges. If so, the client may pay an initial or deferred sales charge. A client may

invest in a mutual fund directly without the services of Amerigo Asset. In that case, the client would not receive the services provided by Amerigo Asset, which are designed, among other things, to assist the client in determining which investment management programs and money managers are most appropriate to the client's financial situation and objectives. The client should review both the fees charged by the funds and the fees charged by Amerigo Asset and the investment portfolio(s) chosen to fully understand the total amount of fees to be paid by the client. Only then will the client be able to fully evaluate the advisory services being provided.

Amerigo Asset does not receive 12b-1 fees on mutual funds, or any commissions, if a mutual fund were to be purchased for a client it would be purchased at net asset value, or in the event the fund did not have an NAV purchase Amerigo Asset would not purchase the fund.

Similar or different services may be available to the client from other advisers at prices that may be the same or higher or lower than those offered by Amerigo Asset. All fees and account minimums may be negotiated at the discretion of Amerigo Asset.

ITEM 6. PERFORMANCE FEES & SIDE-BY-SIDE MANAGEMENT

Amerigo Asset investment advisors, or supervised persons, do not participate or receive performance fees of client's asset growth.

ITEM 7. TYPES OF CLIENTS

Amerigo Asset Management Corporation generally provides investment advice to Individuals, Pension and Profit Sharing Plans, Trusts, Estate, or charitable organizations, Corporations, Hedge Funds or business entities other than those listed above; these are the types of clients that we service, but we may not have all of these types as current clients at any one time. Amerigo Asset does not provide investment advice to Banks, thrift institutions or Investment companies. Amerigo Asset currently provides services to individuals and corporate profit sharing plans.

Requirements for opening an account with Amerigo Asset are

1. Client Interview with Amerigo Asset, and/or risk tolerance questionnaire completed and sent in.
2. Complete the new account forms with Amerigo Asset which include:
 - a. Amerigo Asset Investment Advisory Contract
 - b. Client Managed Allocation
 - c. New Account Information Sheet
 - d. Receipt acknowledgement of Amerigo Asset ADV II
 - e. Complete on-line application with Folio Institutional Corp (either direct or by phone)
3. Fund the new client account at Folio Institutional Corp through either a direct check sent to Folio Institutional or wire transfer
The minimum account size is normally \$100,000 which may be in a single or as combined over multiple accounts. Fees and account size may be negotiable based upon a number of factors including, but not limited to, the client's objectives, family or other related accounts, assets currently under management and the investment strategy employed, however fees will not exceed the fee schedule contained in this document.

Requirements to maintain an account are to continue allowing Amerigo Asset the right to receive quarterly fees from the client account, and to contact Amerigo Asset immediately upon any major financial change in the clients' personal life. Major financial change is one that could affect a 25% or more addition or reduction in gross annual income or total assets within a 12 month period.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis:

Amerigo Asset Management Corporation's security analysis methods include charting, fundamental, technical and cyclical. Amerigo Asset will utilize other sources of information, such as Morningstar, Value Line, the Internet, and various analytical services.

The main sources of information used are outside "Investment Trading and Portfolio" advisors, newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, trend

services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Note: Investing in securities involves risk of loss that *clients* should be prepared to bear.

B. Investment Strategies and Risks:

Amerigo Asset consults with clients, gathers financial profile information, such as the purpose of the account(s), primary objective, risk tolerance, liquidity needs, age, occupation, income, net worth, and other special considerations which might impact how the account is to be managed. The client risk assessment can be administered in two (2) ways. The client discovery in a face to face evaluation process can give us a look at the unique risk characteristics of each client. Additionally, each client is encouraged to take a risk assessment quiz that was developed by Rutgers University called “The Investment Risk Tolerance Quiz.” The score of the assessment is used to further confirm the results of the client discovery and evaluation process.

The investment strategies used to implement any investment advice given to clients include long-term purchases (securities held at least one year), short-term purchases (securities sold within a year), and trading (securities sold within 30 days). It should be noted that Amerigo Asset managed accounts involve daily analysis that may cause a high turn-over in investments this could affect investment performance, particularly through increased brokerage and other transaction costs and taxes, however trades executed through the Folio “trade windows” do not involve additional costs, (current trade windows are 10:00 and 1:00 Central Time daily).

Amerigo Asset uses Exchange Traded Funds (ETFs) and individual stocks in our managed portfolios “Folios” and we have a limited number of securities in each Folio that is generally limited to a maximum of 30 positions. Although the ETFs generally provide diversification there can be no assurance that 30 positions in a client portfolio even when including ETFs can be considered substantial diversification and therefore may increase the risk of investment due to a limited number of positions.

In order to understand each of the various Amerigo Asset investment portfolios (Folios) it is important to understand that each of the Folios are based on a specific industry objective, (technology, large cap, short-term aggressive growth etc.), and as such each will range in risk tolerance. (*also see item 8 C “ETF Risk of Loss”*).

C. Types of Investments:

Amerigo Asset primarily uses individual stocks and Exchange Traded Funds that are publically listed. Exchange Traded Funds (ETFs) and leveraged ETFs have specific risks associated with them that a client needs to be familiar with. ETFs are not guaranteed products but are baskets of investments designed to parallel a specific index or strategies involving an index, there can be no assurance that an ETF will obtain results that are the same as the index they are designed to parallel, and because leveraged ETFs are “re-set” daily there can be value changes over night that would affect the net value of the ETF prior to opening of a market in the next day. If you are not familiar with ETFs and the risks thereof you must notify Amerigo Asset accordingly after which we will provide you with further information on obtaining a prospectus for the ETFs currently in use by Amerigo Asset. Due to the potentially high turnover in assets within a client portfolio the Amerigo Asset portfolios are not managed for tax efficiency. *Clients are advised that taxable accounts could involve a large quantity annually of capital gains and losses within their accounts.*

ETF RISK OF LOSS:

- *Exchange Traded Funds and mutual fund investments are not guaranteed or insured by the FDIC or any other government agency.*
- *You can lose money investing in Exchange Traded Funds or other investments.*
- *Investment share prices may fluctuate, so investors could lose money if they sell shares when prices have fallen.*
- *Diversification does not ensure a profit or protect against a loss in a declining market.*
- *Past performance is not a reliable indicator of future performance. But past performance can help you assess a fund's volatility over time.*
- *Note: Some Exchange Traded Funds may report additional year-end tax information on a partnership “IRS K-1” report which are in addition to the normal tax reporting information provided by the Amerigo Asset clearing firms.*

ITEM 9.**DISCIPLINARY INFORMATION**

Amerigo Asset Management Corporation has not had any disciplinary actions prior or pending the date of this ADV II, however one of the principals of Amerigo Asset Mr. Steven Burks, has been disciplined previously for an alleged failure to conduct adequate supervision on matters pertaining to a previous broker dealer not involved with Amerigo Asset, for further information please see: www.sec.gov/investor/brokers.htm - broker disclosures for further information. Neither the firm nor any of the principals of Amerigo Asset have been involved in a criminal or civil action

- A. There are no criminal or civil matters domestic, foreign or military court of competent jurisdiction in which Amerigo Asset or a management person has been involved.
- B. There is no administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which Amerigo Asset has been involved. Mr. Steven Burks has been involved in an SRO administrative proceeding regarding prior supervision of brokers in a prior broker dealer not involved with Amerigo Asset. Please refer to www.sec.gov/investor/brokers.htm - broker disclosures for further information, and Section 19D.2 of this ADV.
- C. Mr. Steven Burks was involved in a self-regulatory organization (SRO) proceeding as is detailed in Section 19D.2 of this ADV II.

ITEM 10.**OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

- A. There are no pending applications to register as a broker-dealer
- B. There are no pending applications to register as a futures commission or other related activity
- C. Miscellaneous Business Relationships:

Amerigo Asset has a business relationship with the following companies:

- Folio Institutional Services, VA – Client clearing services
- Fidelity Investments Institutional Brokerage Group (IBG) – Client clearing services

Advisors of Amerigo Asset may be individually insurance licensed with insurance companies or agencies.

Amerigo Asset and/or its associated persons may receive reasonable and customary commissions from the sale of life medical and dental insurance products. As part of their normal business activities, associates of Amerigo Asset may spend approximately 10% of their time on other business activities. The insurance business of Amerigo Asset Advisors is on a commission basis and is not the principal business of Amerigo Asset. However, the disclosure is provided since there is a conflict of interest for related persons of Advisor to offer the combination of insurance and securities products and vehicles since a commission could be received for the insurance related product or products.

- D. Amerigo Asset does not recommend or select other investment advisors for our clients.

ITEM 11.**CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

- A. Code of Ethics:

Amerigo Asset, in accordance with SEC rule 204 A-1, has adopted and enforces a written Code of Ethics whereby each employee and related person agrees to conduct business in accordance with the law and the ideals of Amerigo Asset. The Amerigo Asset Code of Ethics is available upon request.

Amerigo Asset, through its own account(s) or through accounts of its associated persons, may buy (own) or sell the same securities it recommends to clients. At no time is Amerigo Asset or its associated persons in a position to affect the price of the security other than through normal market fluctuation.

Amerigo Asset has adopted the North American Securities Administrators Association policy entitled “Unethical Business Practices of Investment Advisors.” This policy provides that an Amerigo Asset investment advisor shall not engage in unethical business practices, including the following:

- (a) Recommending to a client the purchase, sale or exchange of any security without reasonable grounds for believing that the recommendation is suitable based upon the client's investment objectives, financial situation and needs.
- (b) Exercising any discretionary power in placing an order for the purchase or sale of securities for a client without obtaining written discretionary authority from the client within ten business days after the date of the first transaction placed pursuant to the oral discretionary authority.
- (c) Inducing trading in a client's account that is excessive in view of the financial resources, investment objectives and character of the account.
- (d) Placing an order to purchase or sell a security for the account of a client without authority to do so.
- (e) Placing an order to purchase or sell a security for the account of a client upon instruction of a third party without first having obtained a written third party trading authorization from the client.
- (f) Borrowing money or securities from a client unless the client is a broker/dealer, an affiliate of the investment Advisor, or a financial institution engaged in the business of loaning funds.
- (g) Loaning money to a client unless the client is an affiliate of the investment advisor.
- (h) Misrepresenting prior performance by exaggerating successes and concealing losses or fees charged.
- (i) Misrepresenting to any advisory client, or prospective client, the qualifications of the investment advisor, or to misrepresent the nature of the advisory services being offered or fees to be charged for such service, or to omit any material fact necessary to make the statements made not misleading.
- (j) Providing a report or recommendation to any advisory client prepared by someone other than the advisor without disclosing that fact.
- (k) Charging a client a fee which is unreasonable in relation to fees charged by other advisors for similar services.
- (l) Failing to disclose to clients in writing before any advice is rendered any material conflict of interest relating to the advisor which could reasonably be expected to impair the rendering of unbiased and objective advice including:
 - (1) Compensation arrangements connected with advisory services to clients which are in addition to compensation from such clients for such services; and
 - (2) Charging a client an advisory fee for rendering advice when a commission for executing the suggested securities transactions will also be charged.
- (m) Guaranteeing a client that a specific result will be achieved (gain or loss) with advice which will be rendered.
- (n) Publishing, circulating or distributing any advertisement which does not comply with the Investment Advisors Act of 1940 and state requirements.
- (o) Disclosing the identity, affairs, or investments of any client unless required by law to do so, or unless consented to by the client.
- (p) When the investment advisor has custody or possession of the securities or funds of a client, failing to:
 - (1) Segregate and properly mark securities of the client.
 - (2) Deposit the funds of the clients into separate bank accounts.
 - (3) Notify each client as to the place and manner in which his funds and securities are being maintained.
 - (4) Provide an itemized list of all securities and funds in the advisor's possession to the client at least every three months; and
 - (5) *Amerigo Asset does not at any time hold custody of securities or funds of a client and will not accept receipt of the same. All clients are to deliver securities or funds directly to our custodial clearing firm. If Amerigo Asset were ever allowed to accept securities or funds of a client it would verify annually on a surprise basis through actual examination by an independent CPA that the advisors accounting of all funds and securities of the client is correct.*
- (q) Entering into any investment advisory contract unless the contract is in writing and discloses the services to be provided, the term of the contract, the advisory fee, the formula for computing the fee, the amount of prepaid fee to be returned in the event of contract termination or non-performance, whether the contract grants discretionary power to the advisor, and that no assignment of such contract shall be made by the investment advisor without the consent of the client.

B. Amerigo Asset does not recommend to clients securities in which we or related persons have a material financial interest in. Material is considered to be a 5% or greater ownership or control of such security.

C. PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS:

Amerigo Asset acts as agent to effect securities transactions for compensation for any clients. Amerigo Asset may buy or sell for itself securities that it also recommends or purchases for its clients. Amerigo Asset will transact your transactions and business before our own when similar securities are being bought or sold. In all instances, the positions would be so small as to have no impact on the pricing or

performance of the security. We will do everything possible to mitigate these conflicts. Records of all advisory associate's proprietary trading activities are reviewed and kept by us. We and our advisory agents will act in a fiduciary manner, understand the prohibitions against the use of any insider information and will always act in your best interest.

D. Amerigo Asset or its management may buy or sell securities at the same time that it also buys or sells for our clients in such a known event Amerigo Asset and its management enter their orders after the client orders are placed, any timing issue thereafter would be purely a coincidence as happens within the clearing firm(s).

ITEM 12 **BROKERAGE PRACTICES**

A. Amerigo Asset has selected Folio Institutional Corp as our clearing firm for all client transactions; this was based on their technology and reasonableness of their commissions and other services.

1. Research and Other Soft Dollar Benefits. Amerigo Asset may receive access to product research, services, technology, and other educational information to help them operate efficiently, grow their business and deliver exceptional service to clients. No client is charged "extra" for these services and the information received may be used to benefit all clients of Amerigo Asset. Amerigo Asset does not receive any other form of "soft dollar" benefits, and receives no soft dollar benefits from our clearing firm Folio Institutional Corp.

- a. Amerigo Asset does not use client brokerage commissions to obtain research or other products or services.
- b. Amerigo Asset does not receive any incentive to select or recommend a broker-dealer based on our receiving research or other products or services.
- c. Amerigo Asset does not cause clients to pay commissions higher than those charged by other broker-dealers in return for soft dollar benefits.
- d. Amerigo Asset does not use soft dollar benefits to service all of our clients accounts or only those that paid for the benefits.
- e. Amerigo Asset does not use client brokerage commissions to acquire products or services for ourselves or any related persons.
- f. Amerigo Asset does not direct client transactions to a particular broker-dealer all of our clients are serviced and cleared through Folio Institutional Corp.

2. Brokerage for Client Referrals. Amerigo Asset does not receive referrals from other broker-dealers or third parties.

3. Directed Brokerage

- a. Amerigo Asset does not recommend, request or require any directed trades. All trades are affected by our clearing firm Folio Institutional.
- b. Amerigo Asset does not do directed brokerage.

B. Because of the clearing arrangement with Folio Institutional Amerigo Asset does not aggregate trades – there is no benefit to our doing so.

ITEM 13. **REVIEW OF ACCOUNTS**

A. Amerigo Asset does a computer review of client accounts weekly. If a financial plan was prepared by Amerigo Asset that plan is reviewed annually.

B. Amerigo also does a manual review of client accounts on a quarterly basis, or when requested to do so by the client.

C. Amerigo does not provide regular reports to clients; all reports are prepared and available from our clearing firm Folio Institutional.

ITEM 14. **CLIENT REFERRALS AND OTHER COMPENSATION**

A. No one who is not a client provides an economic benefit to Amerigo Asset in return for providing investment advice or other advisory services to our clients.

B. Amerigo Asset does not provide directly or indirectly compensation to any person who is not a supervised person for client referrals.

ITEM 15. CUSTODY

Amerigo Asset does not accept custody of client funds or securities; we use a qualified custodian Folio Institutional Corp. for such purposes and reporting exclusively.

ITEM 16. INVESTMENT DISCRETION

Amerigo Asset only accepts discretionary authority to manage securities on behalf of clients. Clients will execute the Amerigo Asset Investment Advisory Agreement which grants Amerigo Asset trading authorization with respect to the purchase and sale of securities in Client's account. Amerigo Asset will have the authority to determine, without obtaining specific client consent, securities to be bought or sold and the amount of the securities to be bought or sold.

Amerigo Asset understands and acknowledges that at all times it owes a fiduciary duty to clients to obtain best execution for their transactions. We believe that our relationship with Folio Institutional Corp helps us to execute securities transactions for clients in such a manner that the client's total cost in each transaction is as favorable as possible under prevailing market conditions. In addition, some mutual funds may be purchased at NAV (net asset value or "no" commission) when purchased with an advisory account.

ITEM 17. VOTING CLIENT SECURITIES

A. AMERIGO ASSET does not vote proxies for securities held in their client accounts and upon request will render advice to the client with respect to the voting of proxies. Clients may request that Amerigo Asset direct the voting according to the clients wishes provided the same is made known in writing to Amerigo Asset within 2 weeks prior to the due date for such vote, in the absence of specific instructions from a client the proxy request will be ignored.

B. Clients are advised to continue to check their electronic filing cabinet maintained with Folio Institutional for notifications of corporate items with respect to their investments.

ITEM 18. FINANCIAL INFORMATION

- A. Amerigo Asset does not require more than \$1,200 in fees per client, six months or more in advance.
- B. Amerigo Asset has discretionary authority but does not at any time take custody of client funds or securities. There is no known condition that should impair our ability to meet contractual commitments to our clients.
- C. Neither Amerigo Asset nor any of its principals have been the subject of any bankruptcy petition during the past ten (10) years.

ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Items A & B . PRINCIPAL EXECUTIVE OFFICERS

Education and Business Standards

All associates of AMERIGO ASSET that perform research functions or monitor client accounts will have a minimum 2 year college degree and equivalent work experience in the investment, financial services or accounting professions. In addition, all associates will be appropriately securities or insurance licensed as required.

Education and Business Background

James L. Piot, C.E.O. and Chairman of the Board

Mr. Piot has been an investment professional for over 25 years. Initially entering the industry in 1987 as a stock broker with Rauscher Pierce, Refsnes Securities (currently RBC Dain); after the 1987 market correction Mr. Piot became an independent securities broker managing two regional offices in Dallas and Ft. Worth Texas. In January 1996 he joined Lincoln Financial Advisors, Inc. becoming a senior financial and estate planning advisor – member

of the Chairman's Counsel and the LFA Resource Group. Mr. Piot continued as an independent financial business planner after leaving LFA in 2006, and in April 2011 he and Mr. Burks acquired the Channel Trend Asset Management Corporation, which now operates under the name of Amerigo Asset Management Corp. an SEC Registered Investment Advisory company.

Prior to entering the securities industry Mr. Piot's business background included President of ITEL Network Communications Corp. (ITEL, NYSE), President of the Cable & Wireless PLC - U.S. Network Communications Corporation (UK, CW), and interned for 3 years as a federal legal research assistant in a Michigan law firm. Mr. Piot was an officer in the U.S. Army, holds both an Associate of Science and Associate of Arts degrees, and is an FAA licensed commercial pilot. Mr. Piot has previously or currently holds S7, S4, S63, S24 and S65 securities licenses and received a graduate Securities Options Certificate from the CBOE.

Mr. Piot has no active outside business activities other than Amerigo Asset however he is a managing partner of three (3) energy partnership's, and an officer of one corporation which are in final distribution mode only and do not invest or market any current services. These activities require less than 5% of his time on a monthly basis. Mr. Piot has no regulatory administrative or other self-regulatory organization issues in his past.

Mr. Piot is individually a licensed insurance agent providing life, medical and dental insurance products to individuals. These activities require less than 5% of his time on a monthly basis.

Steven L. Burks, President, and Chief Compliance Officer (CCO)

Mr. Burks is a 1973 graduate of the University of Missouri, Cornell Business School with a BS/BA degree in Finance and Economics. For 12 years, Mr. Burks served as a research analyst, portfolio manager and marketing director for the trust division of the Commerce Bank of Missouri and later the MTrust Group of Texas. In 1985, he joined H.D. Vest Securities as a senior manager responsible for the investment advisors group. In 1988, he joined Cullum & Sandow Securities, as President and partner. After their buyout in 1997 by Southwest Securities, Inc (NYSE:SWS), he became President of their SWS subsidiary where he was responsible for over 700 registered representatives. From 1999 to 2010 he was Founder and President of Cullum & Burks Securities, Inc.

Mr. Burks has previously or currently holds S7, S8, S24, S53, S63, and S65 securities licenses, is a graduate of the ABA's National Trust School and completed 2 of 3 years as a CFA candidate.

Mr. Burks was a principal of a previous securities dealer firm that was alleged to have a failure to conduct adequate supervision with regard to the firm's involvement in private investment related business participation units that the firm sold to clients. Mr. Burks was suspended for six (6) months as a result of his supervisory position, the complete details of this matter can be found at www.sec.gov/investor/brokers.htm, and are listed below under item 19.D.

Mr. Burks is an active managing member of CB Energy Management LLC a Texas Limited Liability Company that is in the business of oil and gas operations. Mr. Burks spends less than 5% of his time with this activity. James E. Morris, Senior Portfolio Analyst (supervised person)

Mr. Morris received his MBA from Southern Methodist University, Cox School of Business in 1999 and was an honors graduate of Baylor University, Hankamer School of Business in 1996 where he earned his BBA with a double major in economics and finance. Mr. Morris has over 10 years of financial analysis experience in working in the corporate financial planning departments of several Fortune 500 firms including JP Morgan Chase (JPM), TXU, Fiserv (FISV), and PulteGroup (PHM) and is a Level II CFA candidate. Prior to joining Amerigo Asset Management Mr. Morris was the Director of Quantitative Analysis and Portfolio Manager for Channel Trend Inc. an institutional research firm with over 28 years history.

- C. None of Amerigo Asset supervised personnel are compensated with performance-based fees.
- D.
 - 1. Amerigo Asset nor any of its management personnel have been found liable in an arbitration claim alleging damages in excess of \$2,500.
 - 2. Self Regulatory Administrative Proceeding:

On January 10, 2011 FINRA initiated Case # 2009018818001, an administrative procedure against Steven L Burks, President of Cullum & Burks Securities, Inc. CRD # 46600.

FINRA alleges violations of NASD conduct rules 3010, 3110 and 2110 and FINRA rule 2010. FINRA alleges as a registered principal of the firm a failure to conduct adequate due diligence of a private placement pursuant to Regulation D, and failure to establish, maintain and enforce a supervisory system, conducting securities business while the firm was in net capital deficiency and failing to prepare through the firm's FINOP accurate month end net capital computations and quarterly focus filings from January 1, 2009 through September 30, 2009.

Allegations were resolved on March 08, 2011 through an Acceptance, Waiver & Consent (AWC). Mr. Burks was suspended from all principal capacities of the broker-dealer for six months beginning 03/21/2011 through 09/20/2011. Administrative penalty included a \$10,000 fine.

On April 15, 2004, the National Association of Securities Dealers in case # E062004019101 alleged that Cullum & Burks Securities, Inc. and Steven L Burks as firm principal violated net capital rules with a late focus report and allowed a non-FINOP registered person to file FOCUS reports. The allegations were resolved on March 30, 2006 through an Acceptance, Consent and Waiver (AWC). Resolution included a \$7500 fine and censure.

E. Amerigo Asset nor any of its principals have a relationship or arrangement with any issuer of securities.