

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page

Form ADV Part 2A Brochure
January 23, 2017

Peninsula Asset Management
1111 3rd Avenue West
Suite 340
Bradenton, FL 34205
(941) 748-8680
www.PeninsulaAsset.com

This brochure provides information about the qualifications and business practices of Peninsula Asset Management. If you have any questions about the content of this brochure, please contact us at (941) 748-8680. 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 Peninsula Asset Management is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Material Changes

There have been no material changes to Peninsula Asset Management's Form ADV Part 2A since the last annual update.

Item 3 Table of Contents

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

Item 4 Advisory Business

Peninsula Asset Management (Peninsula) was founded in 1982. The firm provides individualized investment management services based on each client's goals and objectives. In an effort to meet these goals and objectives, Peninsula creates and maintains individual portfolios for its clients by investing in publicly traded equity and fixed income securities. Generally, portfolios are comprised of individual securities and exchange traded funds although no load mutual funds may be used in certain situations (i.e. accounts less than \$50,000).

Peninsula is owned by William E. Middlebrooks, Jr., Brian S. Miller, CFP, AAMS and Daniel R. Chappie, CFA, CFP.

Peninsula provides investment services on a discretionary or non-discretionary basis. Portfolios are tailored to the individual needs of each client. Client investment objectives are determined through personal interviews. Issues such as income needs, liquidity needs, investment time horizons and risk tolerance are just some of the issues discussed. As part of this process clients may impose reasonable restrictions on the services provided by Peninsula (such as a direction not to purchase the stock of a specific company).

Peninsula provides portfolio management services for certain clients that participate in a wrap fee program. There are no differences between how these clients' assets are managed and how Peninsula manages non-wrap accounts. However, clients that participate in a wrap program deal directly with their broker instead of a representative from Peninsula. The broker provides those clients with financial recommendations, which can include asset allocation and the selection of an investment manager. A portion of the wrap-fee that clients pay to participate in a wrap fee program is paid to Peninsula for its portfolio management services.

As of January 1, 2017 Peninsula managed \$198,668,316 in assets on a discretionary basis and \$6,160,809 on a non-discretionary basis.

Item 5 Fees and Compensation

Peninsula charges fees based upon a percentage of the assets under management. Fees are negotiated on a client by client basis based on several factors including but not limited to the investment objective (all equity, all fixed income or a combination of equities and fixed income investments), size of the portfolio to be managed and other relationships with Peninsula. Peninsula's fee schedule is as follows:

- 1.2% on the first \$1 million of assets under management
- 1.0% on the next \$1 million of assets under management
- .75% on the next \$1 million of assets under management
- .50% on the next \$1 million of assets under management

Amounts over \$4 million are negotiable.

Management fees are calculated and payable quarterly, either in advance or in arrears, and are based on the previous month end value from the date each bill is created. Clients may elect to have the quarterly management fees deducted directly from their account(s) or they can pay the fee directly. In either case clients receive a copy of the quarterly bill.

In the event that a client terminates their relationship with Peninsula and the management fee has been billed in advance, any unearned management fees will be refunded to the client from the date the relationship is terminated.

All fees paid to Peninsula for investment services are separate and distinct from the fees and expenses charged by exchange traded funds and mutual funds. Those fees may include a management fee, custodial fees and other expenses which are described in more detail in each fund's prospectus. Clients will incur brokerage and other transaction costs that are not included in Peninsula's management fee. For more information about these type of expenses please see the section titled Brokerage.

The above fee schedule does not apply to any charitable accounts that Peninsula currently manages. Peninsula does not charge any management fees for any services provided to, or on behalf of, charitable accounts. This includes accounts managed for churches, charities and other not-for-profit organizations.

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

Peninsula does not charge any additional fees based on a share of the capital gains on or capital appreciation of the assets of any client.

Item 7 Types of *Clients*

Peninsula generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates and charitable organizations. Although Peninsula does not impose a minimum account size it is recommended that clients establish accounts with at least \$250,000 of investable assets.

Peninsula uses various methods of analysis including fundamental and technical analysis. Fundamental analysis involves assessing a company's financial history and current situation by focusing on things such as sales, revenues, cash flow, expenses and management. It also involves gauging the strength of the company's products or services. Peninsula uses this information as well as the current state of the economy to assess whether a stock is likely to increase or decrease in value by trying to determine if its current price is an accurate reflection of its value. Technical analysis involves tracking price movements and trading volumes to identify patterns in the price behavior of stocks and the overall market. The goal is to detect patterns of price changes in securities and the overall direction of the market.

Peninsula's equity strategy consists of investing primarily in the stocks of companies that have demonstrated consistent and sustainable long-term growth of earnings and dividends. Where appropriate Peninsula may also invest in exchange traded funds to further diversify portfolios by adding exposure to areas such as mid and small sized companies, international stocks, commodities and real estate. The equity portion of the portfolio is designed to provide for the growth of principal over time and to a lesser extent, current income.

Peninsula's fixed income strategy consists of investing in bonds (corporate, government or municipal) and preferred securities. These investments are designed to provide current income and some stability to the overall portfolio (although as discussed below they can and do fluctuate in value).

Investing in securities involves risk of loss that a client should be prepared to bear. Each investment strategy is subject to market, economic and business risks that will cause investment prices to fluctuate over time, sometimes rapidly and unpredictably. Different types of investments shift in and out of favor depending on market and economic conditions that may affect individual companies or industries and the securities markets as a whole. At various times stocks may be more or less favorable than bonds just as large company stocks may be more or less favorable than smaller company stocks.

International investing poses additional risks including political instability, foreign currency fluctuations, different accounting standards than the United States, etc. Investments in developing countries or emerging markets historically have been significantly more volatile than those in the United States and other developed markets reflecting the greater uncertainty of investing in less established markets.

During a general economic downturn in the securities markets, multiple asset classes may be negatively affected. Yields and principal values of fixed income securities can and do fluctuate. Generally, the values of fixed income securities move in the opposite direction of interest rates. As interest rates go up, the value of fixed income securities typically go down. These fluctuations tend to increase as a bond's maturity increases. Therefore, a longer term bond will tend to fluctuate more in value than a shorter term bond when interest rates rise or fall.

Item 9 Disciplinary Information

Peninsula has no disciplinary information to report.

Item 10 Other Financial Industry Activities and Affiliations

Peninsula has no other financial industry activities and affiliations to report.

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

Peninsula has adopted a Code of Ethics ("Code") which is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 ("Advisers Act"). The Code establishes rules of conduct for all employees of Peninsula and is designed to, among other things, govern personal securities trading activities in the accounts of employees. The Code is based upon the principle that Peninsula and its employees owe a fiduciary duty to Peninsula's clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility. A copy of Peninsula's Code of Ethics is available to any client or prospective client upon request.

Employees of Peninsula may buy and sell securities for their own personal accounts that are also bought and sold for accounts managed by Peninsula. Employees must receive prior authorization before buying or selling certain securities for their personal accounts if the security is held in client accounts in order to avoid any potential conflict of interest. Authorization for an employee purchase or sale is granted only if it will not create a conflict with Peninsula's clients' investments. All employee trades are reviewed periodically to ensure compliance with this requirement.

Peninsula does not have the discretionary authority to determine the brokers or custodians to be used or the commission rates to be paid on any trades. Clients must direct Peninsula as to the broker or custodian to be used. In directing the use of a particular broker or custodian it should be understood that Peninsula will not have the authority to negotiate commissions, aggregate orders to reduce transaction costs and best execution may not be achieved which may result in clients receiving less favorable prices and may end up costing clients more money. In addition, a disparity in commission charges may exist between the commissions charged to other clients. Not all advisers require their clients to direct brokerage. Some advisers decide on a trade by trade basis where transactions are to be executed.

Some clients, when opening an advisory relationship with Peninsula, already have a pre-established relationship with a broker or custodian and they instruct Peninsula to execute all transactions through that particular broker or custodian. In the event that a client directs Peninsula to use a particular broker or custodian it should be understood that Peninsula will not have the authority to negotiate commissions or obtain volume discounts and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to other clients.

For clients in need of brokerage and custodial services, and depending on each client's circumstances and needs, Peninsula may recommend the use of Charles Schwab & Company or TD AmeriTrade. Some of the factors considered by Peninsula when making a recommendation include the broker or custodian's ability to provide professional services, Peninsula's past experience with the broker or custodian, the broker or custodian's reputation and the costs of such services, among other factors.

Peninsula participates in the Schwab Institutional Services program offered to investment advisers by Charles Schwab & Company, an NASD registered broker dealer. Peninsula also participates in the TD AmeriTrade Institutional Services program offered to investment advisers by TD AmeriTrade, an NASD registered broker dealer.

As part of these programs, Peninsula receives benefits that it would not receive if it did not offer investment advice. While there is no direct link between the investment advice given and participation in these programs, benefits are received which would not be received if Peninsula did not give investment advice to clients. These benefits include, but are not limited to: receipt of duplicate client confirmations and duplicate monthly statements, access to a trading desk serving the program participants exclusively, access to aggregate trading which provides the ability to combine security transactions and then allocate the appropriate shares to clients.

Peninsula may aggregate the purchase or sale of securities for client accounts when it believes that it is in our clients' best interest. When we buy or sell a security for a large number of accounts, the trades are aggregated together based on each account's broker or custodian. The trades are then submitted to the brokers or custodians for execution as a group. Although the trades are submitted to the brokers or custodians as close together as possible, Peninsula uses a trading rotation to ensure that the order the trades are submitted to the brokers or custodians changes each time. This way the clients using a particular broker or custodian don't always get their trades placed first (or last) but instead their place in line changes so that at some point every client has the opportunity to have their trades placed first and the next time second and the next time third and so on until they rotate back to the front of the line.

Item 13 Review of Accounts

Accounts are reviewed weekly by the Portfolio Manager assigned to each account. Factors that will trigger additional reviews are stock splits, mergers or acquisitions, unusually large price movements of a particular security, bond maturities, market movements, a change in a client's objectives, additions or withdrawals from accounts or other factors. The securities held in all client portfolios are monitored daily.

Statements are provided monthly by the broker or custodian that each client has selected. These statements are either provided in writing via U.S. Mail or by email depending on which method each client has selected. Peninsula also provides written reports to clients on a quarterly basis. These reports include a list of all portfolio holdings, the cost basis of each holding (when available), the current market value of each holding and the amount of projected dividends or interest. Additionally shortly after the end of each calendar year Peninsula also provides a report showing contributions and withdrawals which includes the amount of fees paid for the year.

Item 14 *Client Referrals and Other Compensation*

Peninsula utilizes outside solicitors and has written agreements with certain firms, CPAs and individuals that refer prospective clients to Peninsula. In accounts established as a result of one of these arrangements Peninsula bills the client quarterly for Peninsula's management fee and then remits a percentage of that fee to the solicitor. In all of these situations there is no additional fee charged to the client by Peninsula for participating in any of these programs. The referral fee comes out of Peninsula's management fee and is not added on. These arrangements are fully disclosed in writing to the applicable clients and prospective clients and comply with all of the requirements of the Advisers Act applicable to relationships with solicitors as discusses in SEC rule 206(4)-3.

Item 15 *Custody*

Peninsula does not maintain physical custody of any client assets. All client assets are held in accounts at the brokerage or custodian firm that each client has directed. These accounts are titled in each client's name or however they have directed for them to be titled (ie in the name of their Trust, etc.). However, Peninsula may be deemed to have custody because we have the ability to directly debit quarterly management fees from accounts where clients have granted that specific authorization.

As noted in Item 13, clients will receive monthly statements from the broker or custodian that they have selected. Clients will also receive quarterly statements from Peninsula. All clients should carefully review both of these statements and are urged to compare the statements received from the broker or custodian with those they receive from Peninsula.

Item 16 Investment Discretion

On accounts where Peninsula has been given investment discretion over the portfolio, we have the sole authority to buy and sell securities in the portfolio without having to consult with clients prior to placing trades in their accounts. Our discretionary authority is provided by clients through, and is spelled out in, the investment management agreement that clients sign with Peninsula. Also, the broker or custodian that clients choose have forms that grant Peninsula a limited power of attorney giving us the authority to place trades in our clients' accounts. Our discretionary authority is customarily limited by the investment guidelines or restrictions that any client may place upon Peninsula. Clients can place restrictions on what Peninsula can buy or sell in their portfolio. For instance, a client may instruct Peninsula not to buy the stock of a specific company because of personal reasons. Or a client can direct Peninsula not to sell a specific stock already in the portfolio because of tax considerations. Clients may also direct the purchase of specific securities in their portfolio.

Item 17 Voting *Client* Securities

Peninsula will vote proxies on behalf of clients when directed to do so. For those clients who have given Peninsula the authority to vote on proxy matters in securities held in their account, Peninsula has adopted policies and procedures designed to vote securities in the best interest of our clients. Voting rights are exercised by us on issues based on how we believe they will have a beneficial effect on the value of the security. Peninsula votes proxies in an attempt to maximize or protect the value of the security. Peninsula looks at both the short-term and long-term consequences of the issues to be voted on.

Typically, Peninsula votes in accordance with management's recommendations on most issues since the capability of management is an important criteria when selecting a stock. We believe that management will have more specific expertise and knowledge as to the company's operations and issues affecting it.

However, if we believe that management is acting on its own behalf instead of on behalf of the best interests of the company and its shareholders, or if when believe that management is acting in a manner that is adverse to the rights of the company's shareholders, we will not vote with management.

In situations where a conflict, or a potential conflict of interest exists with regard to proxy voting, clients will be informed of what the conflict is and how it affects them and Peninsula. Clients will be informed of what Peninsula's recommendation is as to the proxy vote and why. Each client will then be given the ability to either approve or disapprove of Peninsula's recommendation in writing. If clients approve of Peninsula's proxy voting recommendation then said recommendation will be implemented. If any clients disapprove of Peninsula's proxy voting recommendation then those clients shall have the ability to direct Peninsula, in writing, how to vote said proxy for their account, including using a disinterested third party for guidance on how to vote.

Clients can direct Peninsula to vote a proxy for a security held in their account a certain way by providing specific instructions in writing to Peninsula.

Peninsula will maintain a copy of all proxies that it votes and clients may contact Peninsula at any time requesting information as to how proxies were voted in their account.

A copy of Peninsula's proxy voting policies and procedures is available to clients upon request.

Part 2B of Form ADV: *Brochure Supplement*

Item 1 Cover Page

Form ADV Part 2B Brochure Supplement
January 23, 2017

William E. Middlebrooks, Jr.
Peninsula Asset Management
1111 3rd Avenue West
Suite 340
Bradenton, FL 34205
(941) 748-8680
www.PeninsulaAsset.com

This brochure supplement provides information about William E. Middlebrooks, Jr. that supplements the Peninsula Asset Management brochure. You should have received a copy of that brochure along with this supplement. Please contact Brian Miller if you did not receive Peninsula Asset Management's brochure or if you have any questions about the contents of this supplement.

Additional information about William E. Middlebrooks, Jr. is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

William E. Middlebrooks, Jr.

President

Born 1942.

Graduated from the University of South Florida in 1963.

Peninsula Asset Management from 1982 to present.

Item 3 Disciplinary Information

There is no disciplinary information to report.

Item 4 Other Business Activities

There are no other business activities to report.

Item 5 Additional Compensation

There is no additional compensation to report.

Item 6 Supervision

The Investment Policy Committee meets weekly to discuss the overall markets and the merits of individual holdings for accounts. The Investment Policy Committee members are: William E. Middlebrooks, Jr. - President, Brian S. Miller, CFP, AAMS - Senior Vice President & Chief Compliance Officer and Daniel R. Chappie, CFA, CFP - Senior Vice President. Any of the above individuals may be reached at (941) 748-8680. Although Mr. Middlebrooks is a member of the Investment Policy Committee he generally does not meet with clients nor provide investment advice on behalf of Peninsula.

Part 2B of Form ADV: *Brochure Supplement*

Item 1 Cover Page

Form ADV Part 2B Brochure Supplement
January 23, 2017

Brian S. Miller, CFP, AAMS
Peninsula Asset Management
1111 3rd Avenue West
Suite 340
Bradenton, FL 34205
(941) 748-8680
www.PeninsulaAsset.com

This brochure supplement provides information about Brian S. Miller, CFP, AAMS that supplements the Peninsula Asset Management brochure. You should have received a copy of that brochure along with this supplement. Please contact Brian Miller if you did not receive Peninsula Asset Management's brochure or if you have any questions about the contents of this supplement.

Additional information about Brian S. Miller, CFP, AAMS is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

Brian S. Miller, CFP, AAMS
Senior Vice President & Chief Compliance Officer
Born 1964.
Graduated from Ball State University in 1986.
Certified Financial Planner (CFP) awarded in 1991.
Accredited Asset Management Specialist (AAMS) awarded in 1996.
Peninsula Asset Management from 1998 to present.

CFP Designation

The Certified Financial Planner (CFP) designation is a professional certification for financial planners conferred by the Certified Financial Planner Board of Standards, Inc. (CFP Board). CFP professionals must develop their financial planning knowledge by completing a comprehensive course of study and must pass a comprehensive set of examinations that tests their ability to apply financial planning knowledge in areas covering the financial planning process, investment management, insurance, tax planning, employee benefits, retirement planning and estate planning. CFP professionals must have three years minimum experience in the financial planning process prior to earning the right to use the CFP certification. CFP practitioners agree to abide by a strict code of professional conduct, known as the CFP Board's Code of Ethics and Professional Responsibility that sets forth their ethical responsibilities to the public, clients and employers.

Once certified, CFP practitioners are required to maintain technical competence and fulfill ethical obligations. Every two years they must complete a minimum 30 hours of continuing education to stay current with developments in the financial planning profession. Two of these hours are spent studying the CFP Board's Code of Ethics. In addition to the biennial continuing education requirement, all CFP practitioners must disclose any public, civil, criminal or disciplinary actions that may have been taken against them during the previous two years.

AAMS Designation

The College for Financial Planning awards the Accredited Asset Management Specialist (AAMS) designation to investment professionals who successfully complete an extensive examination covering topics such as the asset management process; risk, return & investment performance; asset allocation & the investment selection process; investment strategies; taxation of various types of investments; regulatory & ethical issues facing investment professionals and estate planning issues.

Additionally, AAMS professionals must agree to be bound by a Code of Ethics and to follow the Standards of Professional Conduct which requires practitioners to follow rules and guidelines such as to provide professional services with integrity, honor and fairness; maintain client trust and confidence and to maintain objectivity and impartiality with respect to services rendered and advice given. Every two years they must complete a minimum 16 hours of continuing education to stay current with developments in the investment management profession and they must disclose and criminal, civil, self-regulatory organization or governmental agency inquiry, investigation or proceeding related to their professional or business conduct.

Item 3 Disciplinary Information

There is no disciplinary information to report.

Item 4 Other Business Activities

There are no other business activities to report.

Item 5 Additional Compensation

There is no additional compensation to report.

Item 6 Supervision

The Investment Policy Committee meets weekly to discuss the overall markets and the merits of individual holdings for accounts. The Investment Policy Committee members are: Williams E. Middlebrooks, Jr. - President, Brian S. Miller, CFP, AAMS - Senior Vice President & Chief Compliance Officer and Daniel R. Chappie, CFA, CFP - Senior Vice President. Any of the above individuals may be reached at (941) 748-8680. Although Mr. Middlebrooks is a member of the Investment Policy Committee he generally does not meet with clients nor provide investment advice on behalf of Peninsula.

Part 2B of Form ADV: *Brochure Supplement*

Item 1 Cover Page

Form ADV Part 2B Brochure Supplement
January 23, 2017

Daniel R. Chappie, CFA, CFP
Peninsula Asset Management
1111 3rd Avenue West
Suite 340
Bradenton, FL 34205
(941) 748-8680
www.PeninsulaAsset.com

This brochure supplement provides information about Daniel R. Chappie, CFA, CFP that supplements the Peninsula Asset Management brochure. You should have received a copy of that brochure along with this supplement. Please contact Brian Miller if you did not receive Peninsula Asset Management's brochure or if you have any questions about the contents of this supplement.

Additional information about Daniel R. Chappie, CFA, CFP is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

Daniel R. Chappie, CFA, CFP

Senior Vice President

Born 1960.

Graduated from the University of Wisconsin - Milwaukee in 1982.

Graduated from the University of Wisconsin - Milwaukee Graduate School of Business in 1983.

Chartered Financial Analyst (CFA) awarded in 1990.

Certified Financial Planner (CFP) awarded in 1996.

Peninsula Asset Management from 2004 to present.

CFA Charter

The Chartered Financial Analyst (CFA) charter is a professional certification for investment professionals conferred by the CFA Institute. To earn the CFA charter candidates must pass three sequential, 6 hour examinations; have at least four years of qualified professional investment experience; become a member of the CFA Institute; and, commit to abide by, and annually reaffirm, the adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. The Code of Ethics and Standards of Professional Conduct requires CFA charter holders to place their clients' interests ahead of their own, maintain independence and objectivity and act with integrity.

The CFA program curriculum provides a comprehensive framework of knowledge for investment decision making. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics including ethical and professional standards, fixed income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management and wealth planning.

CFP Designation

The Certified Financial Planner (CFP) designation is a professional certification for financial planners conferred by the Certified Financial Planner Board of Standards, Inc. (CFP Board). CFP professionals must develop their financial planning knowledge by completing a comprehensive course of study and must pass a comprehensive set of examinations that tests their ability to apply financial planning knowledge in areas covering the financial planning process, investment management, insurance, tax planning, employee benefits, retirement planning and estate planning. CFP professionals must have three years minimum experience in the financial planning process prior to earning the right to use the CFP certification. CFP practitioners agree to abide by a strict code of professional conduct, known as the CFP Board's Code of Ethics and Professional Responsibility that sets forth their ethical responsibilities to the public, clients and employers.

Once certified, CFP practitioners are required to maintain technical competence and fulfill ethical obligations. Every two years they must complete a minimum 30 hours of continuing education to stay current with developments in the financial planning profession. Two of these hours are spent studying the CFP Board's Code of Ethics. In addition to the biennial continuing education requirement, all CFP practitioners must disclose any public, civil, criminal or disciplinary actions that may have been taken against them during the previous two years.

Item 3 Disciplinary Information

There is no disciplinary information to report.

Item 4 Other Business Activities

There are no other business activities to report.

Item 5 Additional Compensation

There is no additional compensation to report.

Item 6 Supervision

The Investment Policy Committee meets weekly to discuss the overall markets and the merits of individual holdings for accounts. The Investment Policy Committee members are: Williams E. Middlebrooks, Jr. - President, Brian S. Miller, CFP, AAMS - Senior Vice President & Chief Compliance Officer and Daniel R. Chappie, CFA, CFP - Senior Vice President. Any of the above individuals may be reached at (941) 748-8680. Although Mr. Middlebrooks is a member of the Investment Policy Committee he generally does not meet with clients nor provide investment advice on behalf of Peninsula.

Peninsula Asset Management, Inc.

Code Of Ethics Summary

Peninsula Asset Management, Inc. has adopted a Code of Ethics ("Code") which is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 ("Advisers Act").

The Code establishes rules of conduct for all employees of Peninsula and is designed to, among other things, govern personal securities trading activities in the accounts of employees. The Code is based upon the principle that Peninsula and its employees owe a fiduciary duty to Peninsula's clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

The Code is designed to ensure that the high ethical standards long maintained by Peninsula continue to be applied. The purpose of the Code is to preclude activities which may lead to or give the appearance of conflicts of interest, insider trading and other forms of prohibited or unethical business conduct. The excellent name and reputation of the firm continues to be a direct reflection of the conduct of each employee.

Pursuant to Section 206 of the Advisers Act, both Peninsula and its employees are prohibited from engaging in fraudulent, deceptive or manipulative conduct. Compliance with this section involves more than acting with honesty and good faith alone. It means that Peninsula has an affirmative duty of utmost good faith to act solely in the best interest of its clients

Peninsula and its employees are subject to the following specific fiduciary obligations when dealing with clients:

- The duty to have a reasonable, independent basis for the investment advice provided;
- The duty to ensure that investment advice is suitable to meeting the client's individual objectives, needs and circumstances; and
- A duty to be loyal to clients.

In meeting its fiduciary responsibilities to its clients, Peninsula expects every employee to demonstrate the highest standards of ethical conduct for continued employment with Peninsula. Strict compliance with the provisions of the Code shall be considered a basic condition of employment with Peninsula. Peninsula's reputation for fair and honest dealing with its clients has taken considerable time to build. This standing could be seriously damaged as the result of even a single securities transaction being considered questionable in light of the fiduciary duty owed to our clients. Employees should understand that a material breach of the provisions of the Code may constitute grounds for disciplinary action, including termination of employment with Peninsula.

The provisions of the Code are not all-inclusive. Rather, they are intended as a guide for employees of Peninsula in their conduct. All questions arising in connection with personal securities trading should be resolved in favor of the client even at the expense of the interests of employees.

Peninsula places the highest priority on maintaining its reputation for integrity and professionalism. That reputation is a vital business asset. The confidence and trust placed in our firm and its employees by our clients is something we value and endeavor to protect. This Code is intended to comply with the various provisions of the Advisers Act and also requires that all supervised persons comply with the various applicable provisions of the Investment Company Act of 1940, as amended, the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and applicable rules and regulations adopted by the Securities and Exchange Commission ("SEC").

Section 204A of the Advisers Act requires the establishment and enforcement of policies and procedures reasonably designed to prevent the misuse of material, nonpublic information by investment advisers. Such policies and procedures are contained in the Code. The Code also contains policies and procedures with respect to personal securities transactions of all Peninsula's supervised persons. These procedures cover transactions in a reportable security in which a supervised person has a beneficial interest or in accounts over which the supervised person exercises control as well as transactions by members of the supervised person's immediate family.

Section 206 of the Advisers Act makes it unlawful for Peninsula or its agents or employees to employ any device, scheme or artifice to defraud any client or prospective client, or to engage in fraudulent, deceptive or manipulative practices. The Code contains provisions that prohibit these and other enumerated activities and that are reasonably designed to detect and prevent violations of the Code, the Advisers Act and rules thereunder.

Your Right To Privacy At Peninsula Asset Management

In November of 1999 Congress passed the Gramm-Leach-Bliley Act. This Act was a major and complex law designed to enhance competition in the financial industry by providing a prudent framework to allow banks, securities firms, insurance companies and financial services providers to form affiliations. To accomplish this, the law repealed certain important sections of the Glass-Steagall Act which had separated investment banking from commercial banking since the 1930s.

One section of the Gramm-Leach-Bliley Act provides for certain privacy requirements, i.e., protecting the personal information of consumers. In response to these privacy requirements of the Gramm-Leach-Bliley Act, the Securities and Exchange Commission ("SEC") issued Regulation S-P.

Regulation S-P imposes complex and affirmative obligations on SEC registered investment advisers among others. Regulation S-P prohibits the sharing of non-public personal information with any non-affiliated third party unless the firm has provided notices of its privacy policies and the ability for customers to opt-out of the disclosure of such information. State laws may provide greater privacy protections and will also apply to SEC registered advisers.

Types Of Information Peninsula Asset Management Collects

Peninsula Asset Management ("Peninsula") collects information about each client at the time an account is opened. This information includes, but is not limited to, things such as a client's name, address, telephone number, social security number, etc. Peninsula also collects and receives information about clients' security positions, trades and transactions in accounts managed by Peninsula.

Information Disclosed By Peninsula Asset Management

Peninsula does not sell a list of client names, email lists or any other information collected from clients or former clients to outside companies. All information collected by Peninsula is kept strictly confidential.

Additionally, when clients open an account at Peninsula they can direct Peninsula to either trade through an existing account that they already have or they can establish an account with a brokerage firm or a bank. Clients may be required to provide additional information to those companies in addition to information provided to Peninsula.

From time to time Peninsula may share information with each client's brokerage firm or bank where their securities are held and/or traded. Examples of this would include a change of address, a change of telephone number, a name change due to marriage, etc. Any client may direct that no information be provided to their brokerage firm or bank by writing to us at:

Peninsula Asset Management
1111 3rd Avenue West
Suite 340
Bradenton, FL 34205

Confidentiality And Security

Peninsula also restricts access to, and prohibits the disclosure of, information to outside parties without first obtaining each client's consent. When an account is opened clients may authorize the release of information to their Attorney, Accountant, Financial Planner, etc. by signing and completing an Information Disclosure Authorization form. This authorization can be amended or revoked by clients at any time.

If you have any questions about your privacy rights at Peninsula Asset Management please feel free to contact us. We will be happy to answer any questions that you may have.

Peninsula Asset Management's

Proxy Voting Summary

In 2003 the Securities and Exchange Commission adopted Rule 206(4)-6 of the Investment Advisers Act of 1940. This law requires Investment Advisers to provide clients with a summary of their Proxy Voting Policies and Procedures.

Generally, Peninsula does not vote proxies on behalf of clients. However, in accounts where we do vote proxies we do so in a manner designed to maximize the value of our clients' investment. We usually vote in accordance with management's recommendations on most issues since the capability of management is one of the most important criteria we use in selecting stocks. We believe that the management of a company will normally have more specific expertise and knowledge as to the company's operations. However, when we believe management is acting on its own behalf, instead of on behalf of the best interests of the company and its shareholders, or when we believe that management is acting in a manner that is adverse to the rights of the company's shareholders, we will not vote with management.

In situations where a conflict or a potential conflict of interest exists with regard to proxy voting, clients will be informed of what the conflict is and how it affects them and Peninsula. Clients will be informed of what Peninsula's recommendation is as to the proxy vote and why. Each client will then be given the ability to either approve or disapprove of Peninsula's recommendation in writing. If clients approve of Peninsula's proxy voting recommendation then said recommendation shall be implemented.

If any clients disapprove of Peninsula's proxy voting recommendation then those clients shall have the ability to direct Peninsula, in writing, how to vote said proxy for their account, including using a disinterested third party for guidance on how to vote.

Peninsula will maintain a copy of all proxies that it votes and clients may contact Peninsula at any time requesting information as to how proxies were voted in their account.

If you would like a complete copy of our Proxy Voting Policies and Procedures please contact us and one will be provided to you. Or you may write to us or email your request to Info@PeninsulaAsset.com to receive a copy.