

## Item 1 – Cover Page

**C. E. Skowrup & Co.**  
**32107 Lindero Canyon Road, #211**  
**Westlake Village, CA 91361**  
**June 10, 2012**

Form ADV, Part 2; our “Disclosure Brochure” or “Brochure” as required by the Investment Advisers Act of 1940 is a very important document between Clients (you, your) and CE Skowrup & Co. (CES, us, we, our). This Brochure provides information about our qualifications and business practices.

If you have any questions about the contents of this Brochure, please contact Craig Skowrup, President at 818-865-3680 or via email at C.E. Skowrup & Co.  
[ceskowrupco@mpowercom.net](mailto:ceskowrupco@mpowercom.net).

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Regulatory Authority.

We are a registered investment adviser with the Securities and Exchange Commission (SEC) and are transitioning our registration from the SEC to the State of California due to new rules enacted by the SEC.

Our registration as an Investment Adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, is information you use to evaluate us (and other advisers) which are factors in your decision to hire us.

Additional information about CES is available to you for free, by using a Securities and Exchange Commission “public disclosure” website. This site is called “Investment Adviser Public Disclosure” and is available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). To use Public Disclosure, click the link, type in our name (as Skowrup, C.E.) and click search.

## **Item 2 – Material Changes**

The only material change to this Form ADV Part 2 A / B is the disclosure on the cover page that we are transitioning our registration from the SEC to the State of California.

Thus, to comply with State requirements, we have made:

1. This disclosure, and
2. Modified certain text to indicate we are in the process of transitioning our registration

These are the only changes from our previous version dated March 6, 2012.

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## **Item 4 – Advisory Business**

### **Overview of our Firm:**

CES was established in 1999 as a state of California registered investment adviser. We then transitioned to our registration with the SEC (and are a notice filer as CES in California).

Effective May, 2012 we are in the process of registering as an Investment Adviser with the State of California. When that registration is effective, we will withdraw our registration from the SEC.

We have two full-time employees; one provider of investment advice, one an office manager / support person, and one part-time co-owner.

### **Principal Owners / Executive Officers:**

Craig E. Skowrup is the President and Chief Compliance Officer (and the only individual who provides investment advice to Clients) and a shareholder of CES

Karen C. Skowrup is the corporate secretary, the wife of Craig and a shareholder of CES; Karen is not involved in the day-to-day operation of CES

### **Services Offered / Provided**

We provide Clients with non-discretionary portfolio management services, based upon each Client's unique financial circumstances. Non-discretionary portfolio management services means that we must obtain from you (either verbally or in writing) your specific authorization to place a transaction for your account(s) held at your broker dealer or custodian.

Therefore, Clients should understand that during U.S. Stock Market hours, you need to be accessible or available (via telephone or email) to CES so we may contact you regarding specific recommendations that we may have on your portfolio(s). We do not have the authority to purchase or sell any security from your account without first obtaining your consent to the transaction. Therefore, if we cannot reach you to discuss the proposed transaction and obtain your permission to place the trade, we cannot take action on your behalf. As a result, you may suffer an economic hardship or loss of opportunity.

We base our recommendations to you initially and on an on-going basis due to your needs which include:

- A determination of your investment needs
- Your risk tolerance
- Your financial objectives
- Financial circumstances (married, retired, employed, children and dependents, etc.)

We provide investment advice to you on both equity and fixed income securities as we deem them suitable for your portfolio.

Equity Securities: Our equity strategy identifies large capital stocks, primarily in US corporations with significant earnings growth, strong free cash flow, return on equity above 15% annually, low debt (as we may define) and a competitive advantage over other similar companies.

We manage accounts with a low turnover (to minimize transaction cost drag) and accumulation. We are typically a buy and hold equity manager until such time as we deem it necessary to sell the positions. At times, we may use equity mutual funds for equity exposure (versus individual securities). We purchase only load-waived or no-load (a load equates to a commission) mutual funds for your account(s).

Fixed Income Securities: We recommend only investment grade, high quality fixed income securities to Clients in need of fixed income. We typically stay on the lower end of maturity duration, typically 3-5 years, although due to market events we may recommend securities with shorter maturities. Securities may include corporate bonds, US Government bonds, certificates of deposit and Municipal bonds for taxable investors.

Clients may, but typically do not impose investment restrictions on the services that we provide (if any are imposed, they are documented in writing in the agreement we have with you). We do reserve the right to not accept a Client (or disagree with investment restrictions) if we believe the investment restrictions are too restrictive and limit our ability to provide our services to you.

As a non-discretionary portfolio manager, we will be in frequent contact with you over the course of a calendar quarter.

## **Assets Under Management as of December 31, 2011:**

<b>Type</b>	<b>Date of Numbers</b>	<b>AUM in US Dollars</b>
Discretionary		\$ 0.00
Non-Discretionary		\$ 65,815,000.00

The methodology used to calculate the AUM is the same as we use for Form ADV Part 1.

## **Item 5 – Fees and Compensation**

Fees we charge for our services are described below.

### **Non-Discretionary Portfolio Management**

CES charges our Clients an annual, asset based fee, billed quarterly in advance of the service. The fee is calculated initially on the amount of assets deposited into the account and pro-rated for the number of days left in the calendar quarter for which services were provided. Thereafter, the quarterly fee will be based on the Account asset value on the last business day of the previous calendar quarter and will become due upon receipt of our invoice.

CES imposes a 90 day notification for either party to terminate the agreement, thus, typically a refund of pre-paid fees are not applicable. However, CES, as a fiduciary, will work with Clients; if a termination date is prior to the 90 days, CES will promptly refund a pro-rated portion of pre-paid, unearned advisory fees.

Our fee schedule is:

Up to 1% (one-hundred basis points) on all assets under management as negotiated between CES and each Client

The actual fee is negotiable based upon a number of factors including:

- Initial and subsequent assets under management
- Frequency and location of Client in person meetings
- Type of account (equity, balanced, fixed-income, income / growth, etc.)
- Among other factors

Portfolio Values for Fee Calculations and Performance Reporting: CES uses security prices provided by your custodian to calculate our advisory fees. We use a third party pricing service to price securities held in your account and to generate portfolio performance reports. However, your custodial statement is the official record of your account, performance and cost basis.

Un-managed Assets: As a courtesy to some Clients, a Client will deposit or hold a security in their custodial account that is not managed by or advised upon by CES. These may include low cost basis stock or other securities (including those with no value or those that cannot be traded). Any un-managed assets held in an account are identified on the agreement you have with us and the securities are excluded for performance and fee calculation purposes; they are in the account solely at a Client's request and convenience (and are segregated on CES statements we send to you).

### **General Information on Advisory Services and Fees**

- Our services are available to family members and friends of our employees at no fee or at fee schedules that are lower than disclosed above. Our family / friend fee schedules are not available to our non-family / friend clients.

Additional Expenses: The portfolio management services provided by CES may cause Client portfolio assets to invest in mutual funds (for cash balances, money market mutual funds, or for equity or fixed income exposure). When this occurs, please understand that:

- The investment of your account assets in mutual funds (or exchange traded funds, if applicable) would cause a Client to pay additional expenses and fees as shareholders of these mutual or exchange traded funds. These additional expenses include:
  - Advisory / management fees
  - Distribution fees (in the case of mutual funds)
  - Administrative and operational expenses, among others

Therefore, in evaluating our portfolio management services, please take into consideration not only CES's advisory fee, but also the fees and expenses of the underlying securities (mutual and exchange traded funds) that we purchase on your behalf. This information is available from the mutual fund prospectus and other information on the securities, or, you may contact CES to discuss these additional expenses or costs, as they may apply to you.

- Fees are automatically deducted from your custodial account subject to your written authorization in our Advisory Agreement we have with you and your instructions (limited power of attorney) to your custodian.
- Additional fees or expenses you will pay (these fees and expenses are not included in the Advisory Fees (described above) that you pay to us. We do not participate (directly or indirectly in any of these fees that you pay to others):
  - Brokerage commissions;
  - Transaction fees;
  - Other related costs and expenses; and,
  - Charges imposed by custodians, brokers, third party investment and other third parties, including but not limited to:
    - Advisory fees and administrative fees charged by mutual funds (MF), Exchange Traded Funds (ETFs);
    - Advisory fees charged by sub-advisers (if any are used for your account);
    - Custodial fees;
    - Deferred sales charges (on MF or annuities);
    - Odd-Lot differentials;
    - Deferred sales charges (charged by MFs);
    - Transfer taxes;
    - Wire transfer and electronic fund processing fees;
    - Commissions or mark-ups / mark-downs on security transactions ;
    - Among others that may be incurred.

Other Items in this Brochure provide additional information and disclosure related to “other costs” you may incur. Please see Item 12.

- Services available from other sources: Clients should also be aware that similar advisory services may be available from other sources at fee levels higher or lower than those charged by CES. In addition, Clients do not need to hire CES to invest in securities; however, you would not receive the value of CES’ expertise if you did not hire us to manage your assets.

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

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance based fees). Our advisory fee compensation is charged only as disclosed above (Item 3).

## **Item 7 – Types of Clients**

We provide our non-discretionary portfolio management services to the following types of Clients:

- Individuals and high net worth individuals
- Trusts, estates
- Corporate pension and profit sharing plans
- Not for profit entities;
- Foundations, endowments
- Among others

We do not impose minimum account sizes to open or maintain an account, nor do we impose a minimum annual fee.

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

### **Method of Analysis:**

We utilize charting, fundamental, technical and cyclical assessment / security analysis when evaluating stocks, bonds, mutual funds or exchange traded funds that are recommended to you as part of our non-discretionary portfolio management services.

Of course, in monitoring and evaluating securities, we recommend only those that are consistent with your investment objectives and risk tolerances (as documented in your investment policy statement).

### **Sources of Information:**

We obtain the information necessary to conduct our securities analysis from the following sources:

- Financial newspapers / magazines
- Inspection of corporate activities (actual visit to the company / headquarters)
- Research materials prepared by others and available via Yahoo Finance, Bloomberg, Morning Star, etc.
- Corporate rating services
- Annual reports or prospectus filed with the Securities and Exchange Commission by mutual funds, public stock companies, exchange traded funds, etc., and
- Company press releases

**Investment Strategies:**

Our strategies are quite simple and standard; we purchase securities for the long term – they are typically held for 1 year or more (until the reasons we purchased the securities are no longer present).

However, we also may use short term purchases as a strategy, these are securities held less than 1 year. We may sell securities under 1 year if the fundamentals of that security erode or if other influences are present (including your personal tax situation) that makes taking the gain (or loss) appropriate for you and your personal situation.

There are no unique or significant strategies or material risk that we use in providing our services to you.

**Risk of Loss:**

Investments in securities always carry the potential for the risk of loss of your invested assets.

To be clear: Your decision to invest in securities carries the potential for a loss of your invested assets (your principal amount) or any appreciation of your holdings that have not been realized (those securities that were not sold to lock in the appreciation, i.e., profit). Losses in an investment portfolio are a potential event you should be prepared to bear.

We do not represent to any client, either directly or indirectly, any level of performance or any representation that our professional services will not result in a loss to your invested assets. We do our very best as an investment adviser to manage risk exposures and to prevent losses; however, losses cannot be prevented in all cases.

**Item 9 – Disciplinary Information**

We do not have any disciplinary event to disclose to you applicable to CES or any management person. If we did, they would be disclosed here (as required).

**Item 10 – Other Financial Industry Activities and Affiliations**

Craig Skowrup does not have any other financial industry activities or affiliations.

CES, as a registered investment adviser, is not engaged or involved in any other financial industry activity or affiliation.

## Item 11 – Code of Ethics

### Personal and Proprietary Trading:

CES, like many investment advisers, follows our own advice. We recognize our fiduciary duty to you, our Client. We are obligated by law to follow the Regulations and Rules imposed on us under the Investment Advisers Act of 1940. Simply stated, our fiduciary obligations to Clients cause us to put your interests first, not only because it is required by Law, but because it is good business practice.

CES has a very small staff of employees; as such we have taken a more practical approach to comply with Federal Securities Laws, including our Code of Ethics, Policy on Personal Securities Trading and a Policy on the Prevention and Detection of Insider Trading (misuse of material, non-public information). Overall, our policies state that:

- Employees are limited to purchasing or selling for their own (or beneficial ownership accounts) mutual funds and US Government securities, only
- We allow employees and related accounts to hold equity issues that are recommended to Clients
- We prohibit the purchase by an employee (or family member of that employee) from purchasing an Initial Public Offering in an equity or fixed income security and from participating in a private placement of a security
- We prohibit purchasing or selling a security for anyone (ourselves, our Clients or family members) when decision is based in whole or in part on material, non-public information (insider trading); we are prohibited from taking any action on behalf of any party until we have confirmed that the information is available to the investing public (such as news services, websites, etc.)
- We require the reporting of personal securities “brokerage” accounts for employees, initially upon hire and annually thereafter, including the delivery of duplicate confirmations and statements from the broker / custodian directly to CES
- As a small (two full-time and one part-time firm), we do not:
  - Require the pre-clearance of reportable securities transactions (as we allow only US Government or open-end mutual fund shares to be purchased or sold for personal accounts)
  - Require holding or black-out periods
  - Require the reporting of gifts, meals or entertainment provided or received (as the President is involved in all associated activity)

#### Additional Requirements Include:

- Act with integrity, competence, diligence, respect and in an ethical manner with the public, Clients, prospective Clients and other investment professionals encountered in day-to-day activity
- Place the integrity of the investment profession, the interests of Clients ahead of our own (or the employee's) interests
- Prohibits the use of an employee's position at CES to enrich an employee, friend or family member
- Identify potential conflicts of interest and engage our Chief Compliance Officer
- Conduct all personal securities trading in compliance with our Code, Policies and Procedures
- Use reasonable care and prudence, including sound judgment, when conducting investment analysis, making investment recommendations or engaging in other professional activities on behalf of CES
- Promote the integrity of CES and the profession while encouraging (by example) these standards

You may request a copy of the CES Code of Ethics by contacting Craig Skowrup, Chief Compliance Officer, at 818-865-3680.

### **Item 12 – Brokerage Practices**

CES does not have investment or brokerage discretionary authority for any Client.

All Clients are required to direct CES to use the Client's selected broker dealer / custodian for the security transactions you consent (agree) to as part of our portfolio management services.

CES participates in an independent investment adviser program sponsored by Fidelity Brokerage Services LLC (Fidelity), a registered broker dealer and investment adviser with FINRA (Financial Services Regulatory Authority) and the SEC (Securities and Exchange Commission). Fidelity clears all securities transactions on a fully disclosed basis through National Financial Services, LLC (NFS), a registered broker dealer. Please note that many investment advisers do not require their Clients to "direct brokerage" as we do. Although we identify the criteria we use to evaluate the broker we recommend (see below), the recommended broker is not affiliated (under common control or ownership with CES). Since we require you to direct us to use a broker, including the broker we recommend, this

ultimately could cost you additional money. CES has accepted to work within Fidelity's commissions, custodial and other charges that are charged to our Clients. We believe the costs of the services are beneficial to our Clients and are discounted from Fidelity's standard (retail) rates. In addition, Fidelity makes available to CES certain institutional mutual funds that would otherwise not be available to CES and our Clients due to higher purchase minimums imposed by mutual funds.

Due to the nature of our business (non-discretionary, customized portfolio management services) we do not block or aggregate trades of one Client with those of another. As we provide non-discretionary portfolio management services that are highly customized to each Client, we do not believe there are additional costs (or negative impacts) to you.

In our recommendation of Fidelity as a broker / custodian for Clients in need of such services, we request you to evaluate Fidelity and its services to determine the services provided and the fees (commission) charged are in your best interest.

Our criteria for the selection or recommendation of a broker dealer or custodian are consistent across all our decision making when it comes to your transactions. As a fiduciary to you, we are obligated to use broker dealers that we believe provide best execution to our Clients. Best execution, however, is not a defined term, it is a concept. The ultimate goal is not necessarily the best price or lowest commission charge. The ultimate goal of best execution is to achieve, at that point in time, the best overall execution for our Clients for a particular transaction. We evaluate brokers on the following criteria and have determined (based on this criteria) to recommend (and use) Fidelity Investments:

- Actual execution
- Ability to promptly and reliably effect transactions
- Commission charges / spreads
- Market of the security
- Consistency of process (minimal trade errors)
- Willingness to work with us
- Clearing and settlement
- The broker's operational efficiency with which transactions are effected, taking into account the size of the order and the difficulty of the transactions
- The financial strength, integrity and stability of the broker
- Competitiveness of commission rates and charges
- Support services that may be provided (non-soft dollars)

Client's use of other brokers / custodians: Certain of our Clients may direct CES to use their bank, broker or trust company for securities transactions (other than Fidelity). Due to the size of CES and the customized, non-discretionary portfolio management services, Clients are included in the rotational system below (Clients have directed us to use Bank of America Securities, Ameritrade, and Citizens Trust). CES does not recommend to any Client these or other broker / custodians except for Fidelity, as described above.

CES primarily recommends Fidelity. Clients who direct us to use a broker, bank or trust company should understand that they may pay higher commission charges. A disparity in commission charges and executions may occur as a Client directs us to use a broker, bank or trust company (custodian) other than Fidelity. This may also impact the Client's ability to receive and achieve best execution. We recommend each Client directing us to use a custodian other than Fidelity assure yourself that the custodian provides the best blend of services to meet your needs.

Rotational System: As a non-discretionary portfolio manager, CES is obligated to contact each Client and receive specific instructions to purchase or sell a security for their account(s). As a consequence, when an investment idea is broadly applicable (for an equity security, exchange traded fund (ETF) or mutual fund), CES has established the following rotational system:

- We maintain a spreadsheet of all Clients (and associated portfolios) broken out by time zone and alphabetical by last name. Time zones are Eastern, Central, Mountain and Pacific. When a security recommendation (purchase, sale or a bond matures), our President / PM will start to call the East Coast time zone first, starting at A and going to Z. Upon the next investment idea with broad appeal, the President will start with the East Coast and then B; the next starts with East Coast and C, and so on.
- After East Coast Clients are called (and either talked to or messages left), the President will call Central time zones, with the same process of A to Z, and repeat the process for Mountain and Pacific.
- Only those Clients that are talked to and provide specific authorization to place the trade will have the transactions placed at their custodian.

### **Trade Errors**

At times, an error may occur in a Client account that results in a loss or a profit. If CES caused the error, we will correct the error and "make you, the Client whole" in the case of a loss in your account(s).

If the error results in a gain, you will retain the gain, unless the error was due to a violation of your imposed restrictions or limitations; or, an unsuitable transaction. In such cases, we will contact you and with your consent, the profit on the trade error (if any) may be retained by you. If you do not consent to the trade error (and resulting profit), the profit will be removed from your account and a corrected trade (as of the original date) will be placed in your account; the profit removed will be donated to a charity.

CES does not, itself, establish trade error accounts and net (losses against profits) in an error account. However, executing brokers (Fidelity, or other Client directed brokers) may establish, in our name, error accounts where error trades are booked to for accounting and tracking purposes.

We maintain records of all errors, including the original trade ticket, trade date, error correction date (cancel / rebill transactions), identification of who caused the error (fault) and the results of the error (profit or loss).

If the error is caused by another party (other than CES), for example you're directed broker / custodian, the party(ies) that caused the error has the responsibility to make the impacted Client(s) whole. If there is shared responsibility for the error, including CES, each party involved will pay their pro-rated portion of the error (in the case of a loss).

### **Prohibited Brokerage Practices**

- Soft Dollars: CES does not participate in soft dollars or avail itself of the safe harbor under Section 28e of the Exchange Act (soft dollars are a method for investment advisers to use Client commissions to generate "credits" (soft dollar credits) to pay for research and execution services). CES does not utilize or participate in soft dollar services.
- Cross transactions or agency cross transactions
- Principal transactions
- Directed brokerage to pay for client referrals: CES does not have brokerage discretionary authority, therefore we do not have the ability to pick brokers or negotiate commissions for any Client. In addition, we do not have any firm or individual who solicits or refers potential clients to us (for any compensation, direct or indirect). As a result, we require Clients to "direct us, in writing" the broker or dealer to use for their approved transactions.

## Item 13 – Review of Accounts

### Reviews and Reviewers

Reviews: All account / portfolio reviews are conducted periodically to confirm that performance is consistent with our expectations, our model portfolio and Client guidelines. The frequency and scope of the reviews are dependent upon a number of factors, including but not limited to:

- Contributions or withdrawals of cash from an account
- Change in the investment restrictions or investment objectives
- Client requests, such as tax-loss harvesting
- Questions regarding performance or structure
- Dramatic market or world events

Due to the customized nature of our services, reviews are conducted formally on a quarterly basis with an indirect review conducted on the securities (stocks, bonds, mutual funds) held in Client portfolios as part of our research services.

We request that Clients contact CES should any changes occur in your personal financial situation which may impact the portfolio management services we provide to you.

Reviewers: The President, Craig Skowrup, reviews all Client accounts. There are no limits on the number of reviews conducted by our President; he is supported by our Director of Research in this activity. As we provide non-discretionary portfolio management services, our President has frequent contact with all Clients to discuss the portfolio or potential changes to make to the portfolio(s).

Reports: We maintain Client accounts on a technology platform (called a portfolio accounting system). We update our system with data on client transactions, securities holdings and custodial statements. Each quarter, we send our statement to each Client. This CES statement is in addition to the statements you receive monthly from your independent, third-party custodian (broker, bank or trust company). If we identify unusual situations with respect to individual securities, our records will document the issue, impacted Clients, and our communications to you (and how any such issue was resolved). You should understand that because we use an independent pricing service to price securities in your account, there may be a difference between the total portfolio value we provide to you and the one provided by your custodian. The custodial value is the official record of your account(s).

Notice for all clients: CES encourages each Client to review your custodial reports you receive directly from your (qualified) custodian with those quarterly reports you receive from CES. If you have any questions on the information provided by the custodian or CES, please contact CES.

Please see Item 4, above for additional information.

## **Item 14 – Client Referrals and Other Compensation**

### **Client Referrals**

CES does not compensate any firm or person directly or indirectly for Client referrals.

### **Additional Compensation**

CES receives economic benefit from Fidelity (at no cost to us) through our participation in the independent adviser service program. Although the benefits received through our participation in this program provide economic benefit to us, they are not considered research services under Sec28e.

The economic benefits provided to CES (and our Clients who custody at Fidelity) include:

- Access to dedicated trading desks
- Client confirmations and bundled statements for all Client accounts
- Ability to block trade or use prime brokerage services (although we do not utilize either)
- Electronic communication networks for client information access / portfolios and trading
- Software, tools and information relevant to independent investment advisers
- Access to educational or due diligence programs
- Marketing and other support
- Deduction of investment advisory fees due CES from Client Accounts (based on a spreadsheet request to custodian from CES)
- Among others

## **Item 15 – Custody**

CES does not have custody of any Client's funds or securities.

## **Item 16 – Investment Discretion**

CES does not have investment (or brokerage) discretionary authority over any Client account. We must obtain your specific consent to place a transaction for the purchase or sale of a security for your portfolio(s).

## **Item 17 – Voting Client Securities (i.e., Proxy Voting)**

As a matter of policy, CES does not vote proxies on behalf of our Clients. We may assist a Client with their questions related to proxy voting matters, if asked; however, each Client has their own proxy voting authority (which includes corporate actions, re-organizations, etc.). The fact that we do not vote proxies is also stipulated in each Advisory Agreement we have with Clients.

## **Item 18 – Financial Information**

We do not have any financial information or situation to disclose about CES or any employee that would impair our ability to meet contractual and fiduciary commitments to you.

CES and our employees have not been the subject of a bankruptcy proceeding.

## **CE Skowrup & Co. - Privacy Notice**

C.E. Skowrup & Co. treats our relationship in a confidential manner. We safeguard and protect all non-public personal information that we have on file for you. This may include the following information:

- Names
- Birth Dates
- Addresses
- Account numbers
- Phone numbers
- Portfolio Holdings and transactions
- Social Security Number
- Income and Tax Status
- Net worth
- Dependents, and
- Other information that is not publicly available

We do not share your information to any third party, except as may be required by Federal or State Law or to provide those advisory services for which you have contracted with us.

We confirm to you the seriousness of keeping your confidential information confidential; we recognize the private relationship we have with you (and will keep it that way).

We believe the confidential treatment of your private information is a foundation of our trust and sound business practice. To that end, we employ safeguards to protect your non-public information including:

- Back-up of all data on our systems (personal computers, email servers, Advent (portfolio accounting system) and CES physical storage of these back-ups
- User id and logins for each of our two employees so we can have audit trails of who accesses what information. Due to the size of our firm, we do not restrict access (as we all work together to service your accounts)
- Other technology solutions as deem necessary and appropriate

Because we do not share your information, there is no opportunity for you to restrict our use of your data or to “opt-out.” We provide this privacy notice to you at the inception of your relationship with us, and each calendar year thereafter. If you have any questions, please contact us at 800-510-0732.

# Part 2 B of Form ADV: Brochure Supplement

## Item 1 - Cover Page

***This brochure supplement provides information about our employees that supplements our Form ADV, Part 2 A (Brochure, attached).***

Contact information for each individual is:

Craig Skowrup, President  
C. E. Skowrup & Co.  
32107 Lindero Canyon Road, Suite 211  
Westlake Village, CA 91361  
818.865.3680  
[ceskowrupco@mpowercom.net](mailto:ceskowrupco@mpowercom.net)

Date: March 6, 2012

***You should have received a copy of the Part 2 A brochure as we include this supplement with all copies. Please contact Craig Skowrup, President, if you did not receive the C.E. Skowrup & Co. Part 2 A Brochure, or if you have any questions related to the brochure or this supplement.***

***Additional information about Craig is available on the SEC's website at***  
[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## **Item 2 - Educational Background and Business Experience**

**Name:** Craig E. Skowrup

**Born:** 1949

**Education after High School:**

University of Denver, MBA, Finance, 1981

Colorado College, Political Science, 1971

**Employment History, Past 5 years:**

President, Chief Compliance Officer, 05/2000 to Present

CE Skowrup & Co.

Westlake Village, CA

## **Item 3 - Disciplinary Information**

We do not have any legal, financial or other “disciplinary” item to report to you for Craig E. Skowrup.

## **Item 4 - Other Business Activities**

Craig Skowrup is not involved in any other business activities; he works solely for CES.

## **Item 5 - Additional Compensation**

Neither Craig Skowrup nor CES, the firm, receives any additional compensation (or other economic benefit) from providing advice to advisory clients (except as described above in Part 2 A, Item 14).

## **Item 6 - Supervision**

Craig Skowrup, as President and Chief Compliance Officer, is solely responsible to supervise the office manager (an individual who does not provide investment advice) and the corporate secretary (who is not actively engaged in the business on a day-to-day basis).

As the President of CES, Craig is not supervised by any person. He is required, however, to personally comply with the provisions of the Code of Ethics and other applicable standards and duty of care related to the business of C.E. Skowrup & Co. as an investment adviser.