

Firm Brochure

(Part 2A of Form ADV)



ROBINSON VALUE MANAGEMENT, LTD.

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This brochure provides information about the qualifications and business practices of Robinson Value Management, Ltd. ("RVM"). If you have any questions about the contents of this brochure, please contact us at: (210) 490-2545, or by email at: charles@robinsonvalue.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC"), or by any state securities authority.

Additional information about RVM is available on the SEC's website at www.adviserinfo.sec.gov.

March 1, 2012

Material Changes

Summary of Material Changes

Set forth below is a summary of material changes in this brochure from our last annual update. Our last annual update was dated March 31, 2011.

RVM has added a new composite called the WEALTH OF NATIONS™, which is described as all fee-paying, fully discretionary accounts with a client objective of combining RVM's Contrarian Value Equity (long only equity) and Market Opportunity (tactical/market timing) strategies.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (210) 490-2545 or by email at: amy@robinsonvalue.com.

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Advisory Business

Firm Description

Robinson Value Management, Ltd. ("RVM") was founded in 1997. RVM provides personalized, confidential investment management to individuals, banks or thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and small businesses. Advice is provided through consultation with the client and may include: determination of financial objectives, investment advisory and management services as a discretionary investment adviser to institutional and retail separate account clients.

RVM is strictly a fee-only investment management firm. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted.

RVM does not act as a custodian of client assets. The client always maintains asset control. RVM places trades for clients under a limited power of attorney.

At the start of a relationship, clients complete an Investment Policy Statement (IPS) indicating their investment objective. The IPS provides guidance regarding the client's goals, especially with respect to return, risk, the targeted asset allocation, and the constraints to be considered, i.e. income, time horizon, taxes, liquidity, legal issues, etc. A copy of the document is provided to the client and the document is updated as the client's situation changes.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

Initial meetings, which may be by telephone, are free of charge and considered to be an exploratory interview to determine whether RVM's investment management may be beneficial to the client.

RVM does not sponsor or manage portfolios for any WRAP programs.

Principal Owners

RW Value Management, Inc. is the general partner of RVM and is retained by RVM to manage its investment advisory accounts. RW Value Management, Inc. is owned 51% by Amy Abbey Robinson and 49% by Charles W. Robinson, III, who are also current officers and employees of the corporation. Passive interests in RVM are owned 51% by Amy Abbey Robinson, 48% by Charles W. Robinson, III, and 1% by RW Value Management, Inc.

Types of Advisory Services

100% of RVM's business is providing investment supervisory services, also known as asset management services. Investment supervisory services means the giving of continuous advice as to the investment of funds on the basis of the individual needs of each client. Individual needs include, for example, the nature of other client assets and the client's personal and family obligations.

As of February 29, 2012 RVM manages approximately \$55,879,263 in assets. 100% of these assets are managed on a discretionary basis.

Tailored Relationships

The goals and objectives for each client are documented in our client relationship management system. Investment policy statements are created that reflect the stated goals and objective. Clients may impose restrictions on investing in certain securities or types of securities.

Allocation among stocks, high-grade bonds, and tactical investment strategies that use stocks and bonds as well as Exchange Traded Funds is determined by the client's investment policy statement, which is determined after analyzing the client's investment time horizon, risk tolerance, legal restraints, cash requirements and other factors pertinent to establishing an investment policy statement. Agreements may not be assigned without client consent.

Investment Management Agreement is RVM's only type of Agreement

Most clients choose to have RVM manage their assets in order to obtain ongoing in-depth advice. All aspects of the client's financial affairs are reviewed. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

The scope of work and fee for an Investment Management Agreement is provided to the client in writing prior to the start of the relationship.

Asset Management

RVM invests primarily in high quality domestic, large capitalization companies, U. S. Treasury obligations and high-grade domestic bonds. RVM provides clients with a highly disciplined investment process. It is supported by extensive study and knowledge of historic valuation ranges, and adheres to value-oriented, somewhat contrarian investment principles. Stocks selected are priced significantly lower than normal in relation to current or normalized earnings, revenues, book value, cash flow, and dividend yield. RVM's extensive database, with data back to the late 1960's on the average company we follow, and its proprietary software, developed over the last two decades, assist in finding industry leading companies whose stocks appear significantly undervalued in light of each company's own history and estimated future results. The typical portfolio contains 25 to 35 "blue-chip" large

capitalization companies. No more than 5% of assets are invested into a single security. Sector weighting is limited to +/- 50% of the S&P 500 Index weighting.

Investments include: equities (stocks), U.S. government securities, corporate debt securities, municipal securities, cash and cash equivalents, commercial paper, certificates of deposit, as well as exchange traded funds and mutual funds. They may also include interests in partnerships or other secondary market securities in order to accommodate client specific needs.

Initial public offerings (IPOs) are not available through RVM.

In addition to the separate account services described above, RVM may provide sub-advisory services to unaffiliated third-parties. Information concerning the description of the services we provide and advisory fees paid to us are contained in the documents of those third parties.

RVM Understands Risk and Opportunity

Our robust philosophy identifies and responds to opportunities created by temporary mispricing.

Irrationality and opportunity peak when the investment decision is most difficult to implement. In critical moments, valuation and diversification can fail as emotions overwhelm logic. At RVM, we seek dominion over our emotions.

We seek to minimize downside capture, to preserve purchasing power, and to provide solid performance especially during difficult market environments.

Loss Averse

RVM's fundamental objective is to generate above-market returns while minimizing downside volatility. RVM's unique skill lies in its ability to identify resilient wealth-building investments. Our investment team discerns superior investment values through a robust statistical approach to fundamental valuations, qualitative evaluation of investor pessimism, and adherence to a strict price discipline. RVM's "aggressively defensive" approach seeks to preserve the investor's purchasing power and enhance capital appreciation.

Client Centered

At RVM, we see ourselves as stewards—earning confidence through faithful service to our clients' interests. Each member of our team is charged to question, learn, and contribute. We do our own thinking. We neither purchase company research nor do we utilize soft dollars. At RVM, we discover new solutions and learn from our own mistakes. This culture of accountability and eagerness to contribute is how we serve our clients each day.

Independent

At RVM, our commitment to independence stems from our desire for integrity and client advocacy. Our practices reflect our principles.

RVM:

- Has no outside marketers, non-employee ownership, or affiliations which could create conflicts of interest.
- Does not engage in soft-dollar relationships and conducts all research in-house. We seek accountability—learning from our own mistakes and not those of others.
- Does not serve as—or affiliate with—a custodian or broker. We are and will remain fee-only.
- Does not manage hedge funds where holdings and activity can be hidden, or where performance fees can create incentives to take extraordinary, self-serving risks.

What is risk?

There are many forms of risk, but at RVM, we focus on the definition of “***risk***” as the probability and magnitude of a loss of purchasing power.

Why does it matter?

The Capital Asset Pricing Model (“CAPM”) works well *between* asset classes, but less so *within* each asset class.

Greater volatility with much greater return Cash to Treasury bonds Treasury bonds to stocks	Greater volatility with somewhat greater return 10-year Treasury bonds to 30-year Large cap stocks to small cap stocks
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Equity investors do not have to tolerate so much volatility, but can continue to earn the equity risk premium through appropriate portfolio construction.

What does this mean for you?

RVM’s investment approach allows clients to optimize their exposure by reducing volatility within each asset class.

Lower volatility portfolios may underperform somewhat in bull markets, but outperform in bear markets and over time, though having slightly higher tracking error.

For pensions, this approach reduces volatility of returns and impact on earnings without hurting the long-term return of the pension assets.

Engaging the Economy

“It is not by augmenting the capital of the country, but by rendering a greater part of that capital active and productive than would otherwise be so, that the most judicious operations of banking can increase the industry of the country.” – Adam Smith

Participants in a free market system have a duty to be responsible stewards of their assets, actively allocating capital to its most productive use in order to optimize responsible wealth creation.

The purpose of this activity goes beyond making money—even beyond understanding the people and the company behind an investment. It goes as far as ensuring that the free markets we enjoy are not replaced by planned economies and politburos.

Human nature leads people:

- To work together as employees to create and produce, unexpectedly persevering through most difficult moments.
- To overreact as investors, acting on an irrational fear of uncertainty and an irrational desire for certainty.

As active managers, we seek to take advantage of misallocations of capital, thereby improving results for our clients, the companies in which they invest, and the country as a whole.

Provision of capital to businesses through stocks and bonds is a “global win” scenario, benefiting investors, employees, customers, and government.

Fees and Compensation

Description

RVM bases its fees on a percentage of assets under management. The annual fee as stated in the Investment Management Agreement is based on a percentage of the investable assets according to the following schedule:

First	\$1,000,000	.....	1.00% of assets, plus
Next	\$4,000,000	.....	0.75% of assets, plus
Next	\$5,000,000	.....	0.50% of assets, plus
Next	\$15,000,000	.....	0.35% of assets, plus
Over	\$25,000,000	.....	0.20% of assets

For any account over \$10,000,000, the first 2 tiers of fees, 1.00% and 0.75%, are waived, with the result that the fee on the first \$10,000,000 is 0.50% of assets. Fixed Income Only portfolios are managed at a 30% discount to the standard fee schedule. New accounts are subject to a one thousand two hundred fifty dollars (\$1,250.00) minimum fee per calendar quarter. Current client relationships may exist where the fees are higher or lower than the fee schedule above. Fees may be negotiable in certain instances (i.e., size of account, current client or relative, etc.)

Fee Billing

Investment management fees are billed quarterly in advance (meaning that we invoice you at the beginning of the three-month billing period), or as otherwise agreed. Unless otherwise agreed, fees shall be prorated for periods of less than three months in the case of new accounts and terminated accounts. Prorated fees will not be billed on mid-quarter additions to existing accounts nor refunded on non-terminating withdrawals by Client.

Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

RVM also earns fees from unaffiliated third-parties to whom we provide sub-advisory services.

Other Fees

Securities are purchased or sold through a brokerage account. The brokerage firm charges a commission for trades. Custodians may charge transaction fees on purchases or sales of certain securities, including mutual funds and exchange-traded funds, as well on trades “away” to other brokerage firms. These transaction charges are usually small and incidental to the purchase or sale of a security.

Assets invested in mutual funds and exchange traded funds are charged a fee by the fund company. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Discount brokerages may charge a transaction fee for the purchase of some funds. **RVM does not receive any compensation, in any form, from fund or brokerage companies.**

Expense Ratios

Mutual funds and exchange traded funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by you to RVM.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted (net of fees).

Termination of Agreement

Client may terminate immediately upon giving written notice. 30 days prior written notice is required for termination by RVM. Unless otherwise agreed, fees shall be prorated for periods of less than three months in the case of new accounts and terminated accounts. Prorated fees will not be billed on mid-quarter additions to existing accounts nor refunded on non-terminating withdrawals. The pro-ratio date for terminated accounts shall be the date RVM's investment responsibilities cease.

Performance-Based Fees

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

RVM does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

Types of Clients

Description

RVM generally provides investment advice to individuals, banks or thrift institutions, pension and profit sharing plans, trusts, estates, or charitable organizations, corporations or business entities.

Client relationships vary in scope and length of service.

Account Minimums

RVM does not impose an account minimum, but does maintain a minimum quarterly fee of \$1,250 for new accounts.

When an account falls below \$500,000 in value (or \$714,286 for fixed income only accounts), the minimum quarterly fee of \$1,250 may continue to be charged.

RVM, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Clients with assets below the minimum account size may pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Security analysis methods may include fundamental analysis, cyclical analysis, technical analysis and charting.

The main sources of information on the investments RVM utilizes include but are not limited to financial newspapers and magazines, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, company press releases and research materials prepared by others.

Investment Strategies

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

Contrarian Value Equity

Philosophy

Seeking certainty and validation, and armed with the news of the day, investors over-react to information, creating opportunities for excess profits and reduced risk exposure. Discernment requires reliable and relevant facts, quantitative and qualitative analysis, and dominion over one's emotions.

At RVM, we do not attempt to predict the future. Rather, we endeavor to respond to profit opportunities that exhibit characteristics we have found to reduce risk of loss. We embrace a framework that seeks to be:

- **Counter-Momentum** – Minimizing exposure to overly popular recent performers that carry greater downside potential, thereby avoiding the risk of confirmation bias
 - **Contrarian** – Staying with high-quality companies that are trading at large discounts relative to their own 20+ year histories—a highly out-of-favor category on Wall Street
 - **Counterintuitive** – Identifying and responding to excessive consensus and overreaction by emotional investors, acting when it is most difficult emotionally
 - **Consistent** – Dedicating ourselves to one approach
- RVM's approach is value-oriented, somewhat contrarian, and price-sensitive. The portfolio focuses on industry-leading companies that are selling at low multiples relative to their fundamental measures of value, combining a statistical approach to fundamental analysis with a contrarian bent.

Process

We look for:

- Industry leaders—wide-moat companies, top 25% in each industry with strong performance over decades
- Solid financial strength—average credit quality is 2 notches above index (A+ vs. A-)
- Low absolute multiples (solid yields)
- Low relative multiples (out of favor), using 20+ year histories on all companies
- Fundamentals stable-to-rising
- Insider buying
- Recent, sharp decline in price indicating excessive negative certainty
- Slowly developing, low-volatility trends that indicate resolution of uncertainty

We avoid:

- Companies that are creating growth through leverage
- Companies changing their line of business
- “Wall Street darlings” and those with excessively strong positive consensus

We structure:

- Sector weights within 50% (above or below) of the Russell 1000 Value Index
- Allow purchases up to 5% of the market value of total targeted equity exposure
- Reduce positions above 7%; lock in gains to limit risk
- Reallocate out of a winner into the next attractive equity
- Minimize risk of loss from holding overpriced investments

Portfolio characteristics:

- Low beta, P/B, P/E, P/CF, P/S
- High dividend yield
- Higher average credit ratings
- Moderate turnover of 30%-60% per year
- Deviation from benchmarks toward cheaper, more solid yet out-of-favor holdings
- Consistency of approach
- Equity risk premium
- Low downside capture

Market Opportunity

Philosophy

Optimizing opportunities to build wealth requires an understanding of the rational systems at work in the investment marketplace. In a large modern economy, there are many “institutionalized” events (whether economic, political or sociological) that repeat and occur predictably.

The Market Opportunity Composite portfolio takes advantage of historic patterns of strengths and weaknesses in the stock market whose causes can be substantiated with fundamental macroeconomic and behavioral reasoning.

Process

Market Opportunity is an opportunistic asset allocation vehicle, moving in and out of the US equity markets (represented by the S&P 500 Index) to capitalize on seasonal and cyclical events and trends that cause shifts in liquidity and investor psychology.

The process involves shifting overall net equity exposure in a range that varies from leveraged long (as much as 150%) to modestly short (as much as 50% short) several times each year. Accounts establish leveraged long as well as short positions, with margin embedded in the instruments, using stock-based Exchange Traded Funds—in particular, the 2x-Long and 2x-Short S&P 500 Index ETFs.

Fixed Income

Fixed income portfolios are invested in high-quality issues and duration managed for total return. Maturities are laddered between 1 and 10 years, though occasionally longer maturities may be used. RVM avoids callable issues and issues with pre-payment features, thereby avoiding agency paper. Exposure is typically limited to U.S. Treasuries, as well as high quality corporate bonds when specific opportunities are identified.

Balanced

Accounts combining our equity and fixed income approach are able to take advantage of asset allocation adjustments driven by changing opportunities between the two asset classes. Clients typically allow a 5%-10% range within which we have discretion to adjust exposures in light of our research.

In Summary

At Robinson Value Management, Ltd., we understand risk and opportunity.

We believe our process provides exceptional downside capture and capital preservation throughout many difficult market environments. We focus on protecting our client's purchasing power, keeping integrity, consistency and loss aversion at the forefront of the effort to outperform over time.

Risk of Loss

All investment programs have certain risks that are borne by the investor. Although our investment approach constantly keeps the risk of loss in mind, investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Disciplinary Information

Legal and Disciplinary

The firm and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

Other Financial Industry Activities and Affiliations

Financial Industry Activities

RVM is not registered as a securities broker-dealer, or a futures commission merchant, commodity pool operator or commodity trading advisor.

Affiliations

RVM has no affiliations with other companies.

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

Code of Ethics

The employees of RVM have committed to a Code of Ethics that is available for review by clients and prospective clients upon request.

Participation or Interest in Client Transactions

RVM and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the RVM Compliance Manual.

The Compliance Manual contains the written supervisory policies and procedures of the Company and is followed by all personnel in carrying out their responsibilities with the Company. Its purpose is to help ensure that the Company conducts its business in compliance with all applicable federal and state laws, rules and regulations and in keeping with the highest level of professional and ethical standards.

Personal Trading

The Chief Compliance Officer of RVM is Charles W. Robinson III, CFA.

RVM maintains quarterly reports of all non-exempt personal securities transactions of its employees, and requires that employees provide RVM with a copy of all monthly statements. Further, RVM's written policies and procedures impose policies and procedures designed to prevent the misuse of material non-public information and insider trading by any officer, partner, or associated person of RVM. They are also designed to ensure that employee securities transactions are consistent with RVM's fiduciary duties to its clients and to ensure compliance with legal requirements and RVM's standards of business conduct. As such, they impose restrictions on employees' purchase and sale of securities for their own accounts and the accounts of certain affiliated persons. Transactions for RVM and related persons in securities owned or to be purchased for clients must be filled in block with other client accounts or satisfy the timing restrictions in RVM's policies and procedures. It is RVM's policy that client interests always come before RVM's or its employees.

Subject to the above, RVM and related persons may buy or sell for themselves securities that RVM buys and sells for clients.

Brokerage Practices

Selecting Custodians and Brokerage Firms

RVM does not have any affiliation with product sales firms. Clients may direct the use of specific custodians and/or brokerage firms, and RVM will make every effort to accommodate such direction. RVM will also inform client of existing custodial and brokerage relationships for comparison, so client can make an informed decision. RVM suggests custodians and brokerage firms based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates. RVM suggests, but in no way limits its activities to trust companies, discount and full-service brokerage firms, and other qualified custodians.

RVM does not receive fees or commissions from any of these arrangements.

Without specific direction from the client, RVM reserves the right to act with full authority in determining securities to be bought or sold, amounts to be bought or sold, broker or dealer to be used, and commission rates paid. In selecting brokers and determining the reasonableness of their commissions, RVM makes an effort to negotiate the most favorable rates and highest quality of execution and related services relevant to the management of the client's portfolio.

Best Execution

Trades are placed with the custodial-broker-dealer or traded away to another broker to insure healthy competition, comparisons, optimized execution quality and minimized costs.

RVM considers the following factors when selecting another broker-dealer:

- a. Quality of overall execution services provided by the broker-dealer, including best price;
 - b. Promptness of execution;
 - c. Creditworthiness and business reputation of the broker-dealer;
 - d. Promptness and accuracy of oral, hard copy or electronic reports of execution;
 - e. Ability and willingness to correct errors;
 - f. Promptness and accuracy of confirmation statements;
 - g. Ability to access various market centers;
 - h. The broker-dealer's facilities, including any software or hardware provided to RVM;
 - i. The market where the security trades;
 - j. Any expertise the broker-dealer may have in executing trades for the particular type of security;
 - k. Commissions charged by the broker-dealer;
 - l. Historical commission rates of the broker-dealer;
 - m. Reliability of the broker-dealer;
 - n. Ability of the broker-dealer to use electronic communication networks to gain liquidity, price improvement, lower commission rates and anonymity;
 - Reputation of the broker-dealer;
 - Execution and operational capabilities of the broker-dealer;
 - Financial condition of the broker-dealer.
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Soft Dollars

All research and software maintenance is paid for by RVM and is used to service all of RVM's accounts. Since RVM does not participate in soft dollar relationships, the interests of RVM and its clients are aligned.

Order Aggregation

Investment decisions for each client are made independently for each client. Prior to the allocation of securities, RVM will determine if a Client's investment objectives and suitability requirements qualify the Client for participation in purchasing a specific security. Nevertheless, it sometimes happens that the same security may be appropriate for more than one client, so that the same security may be purchased or sold simultaneously for more than one client's account. When two or more clients are simultaneously engaged in the purchase or sale of the same security, the prices and amounts are allocated in accordance with procedures believed to be appropriate for each client.

RVM will aggregate transactions only if it believes that aggregation is in the best interests of the applicable clients, is consistent with its duty to seek best execution for its clients, and is consistent with the terms of its investment advisory agreement with each client for whom transactions are being aggregated.

RVM's policies and procedures result in fair and equitable allocations of securities purchased and sold. The formula for allocating trades is based upon a pro-rata distribution of shares, based on the targeted value of each account's allocation to the particular asset class, and the appropriate percentage of that asset class represented by the new security, which will be the same percentage, typically, for each client. Each client that qualifies receives a similar percentage of its targeted equity allocation.

Whenever possible, allocations are determined in advance so that each investment represents the same percentage of that class of investment in each account for which the investment is appropriate. The average price for each investment is given to each such account participating in the block. Partial fills and shares purchased when advance allocation is not possible, shall be allocated pro-rata across each account in proportion to the initial allocation or the allocation that would have been made had advance allocation been possible.

Review of Accounts

Periodic Reviews

RW Value Management, Inc., the general partner of RVM, is retained by RVM to manage its investment advisory accounts. RW Value Management, Inc. is owned 51% by Amy Abbey Robinson and 49% by Charles W. Robinson, III, who are also current officers and employees of the corporation. No accounts are assigned to any particular employee of the general partner. Charles W. Robinson, III and Amy Abbey Robinson work as a team on all investment accounts and no instructions are given to them by RVM. The general partner, through Charles W. Robinson, III, and Amy Abbey Robinson, provides ongoing daily review of all accounts to insure appropriate asset allocation and individual security selection. Amy Abbey Robinson

and Charles W. Robinson help clients and prospects define their needs and goals, which assists in determining an appropriate asset allocation for accounts.

Review Triggers

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

Regular Reports

Monthly reports from the client's custodian specify holdings in the client's portfolio. RVM provides a quarterly report of holdings and performance, a statement of buy and sell reasons, called "The Model Portfolio," and a quarterly review of the markets and the economy, called "The Long and Short of It".

Client Referrals and Other Compensation

Incoming Referrals

RVM has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

Referrals Out

RVM serves as a sub-advisor to sub-accounts of portfolios managed by The Trust Company, N.A., a national bank in San Antonio, TX. In addition to receiving an annual management fee of .005 of assets in the sub-accounts managed by RVM, RVM has entered into a solicitor's agreement with The Trust Company under which RVM receives ½ of annual net earned fees earned by The Trust Company from persons RVM refers to it for separately managed accounts.

Other Compensation

Dabney Investment Consulting Associates, Inc. (DICA) is paid a fee for providing RVM with GIPS verification services. RVM, on a few occasions, has referred other advisors to DICA for verification services. DICA pays RVM a portion of the fees from these referrals.

No other compensation is accepted by RVM.

Custody

Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly.

Performance Reports

Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by RVM.

Net Worth Statements

RVM does not provide net worth statements. We are not financial planners.

Investment Discretion

Discretionary Authority for Trading

RVM accepts discretionary authority to manage securities accounts on behalf of clients. RVM has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold.

The client approves the custodian to be used and the commission rates paid to the custodian (if applicable). RVM does not receive any portion of the transaction fees or commissions paid by the client to the custodian on trades.

Discretionary trading authority facilitates placing trades in client accounts on the client's behalf so that RVM may promptly implement the investment policy that the client has approved in writing.

Clients may place limitations on RVM's discretionary authority in certain instances. For example, if the client does not wish to invest in a certain security or sector. Any restrictions on discretionary limitations are discussed at the start of a relationship and are updated as needed.

Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. The client signs a limited power of attorney so that RVM may execute the trades in the client's account(s).

Voting Client Securities

Proxy Votes

Unless clients retain proxy-voting authority, or notify RVM at least one day before a vote is cast, or RVM determines the recommendations are not in the clients' best interests, all proxies are voted as recommended by Egan-Jones Proxy Services. Clients may preview or review proxy voting records by visiting Egan-Jones Proxy Services' web site or by sending a written request to RVM. RVM will respond in writing within three business days of its receipt of a written request.

A copy of RVM's proxy voting policy is available upon request.

Financial Information

Financial Condition

RVM does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because RVM does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than five hundred dollars (\$500) per client, and six months or more in advance.

Requirements for State-Registered Advisors

CHARLES W. ROBINSON, III, CFA*

Year Born: 1962

Educational Background:

- B.A., Economics, Davidson College, Davidson, NC 1984
- M.B.A., Finance, University of Texas at San Antonio, San Antonio, Texas 1991
- CFA Charterholder, CFA Institute 1993

Business Experience:

- RW Value Management, Inc.; Investment Advisor 5/10 to Present
 - Vice President, Chief Compliance Officer & Chief Investment Officer
- RW Value Management, Inc.; Investment Advisor 7/08 to 5/10
 - President, Chief Compliance Officer & Chief Investment Officer
- RW Value Management, Inc.; Investment Advisor 1/02 to 7/08
 - Owner, Chief Investment Officer
- Robinson Wilkes, L. L. C.; Investment & Tax Advisor 9/97 to 12/01
 - Member & Portfolio Manager
- NationsBank; Trust and Private Client Group 5/93 to 9/97
 - Vice President & Portfolio Manager
- Leavy Investment Management, Inc.; Investment Advisor 3/92 to 5/93
 - Research Associate & Portfolio Manager

Disciplinary Information: There are no legal, financial or disciplinary events for Charles Robinson.

Other Business Activities: None

Additional Compensation: Charles Robinson does not receive any economic benefit for providing advisory services beyond the scope of RVM.

Supervision: Charles Robinson is supervised through a compliance program designed to prevent and detect the advice Mr. Robinson provides to clients. Compliance supervision includes review of portfolios, review of investment policy statements, review of advisory agreements, review of emails, personal transactions and portfolio trading. Supervision is conducted by the Chief Compliance Officer, Charles Robinson, (210) 490-2545. Additionally, Mr. Robinson works as team with Amy Abbey Robinson

*CFA Charter:

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 90,000 CFA charterholders working in 135 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

High Ethical Standards

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

Global Recognition

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 19 countries recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

Comprehensive and Current Knowledge

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. 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.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit www.cfainstitute.org.

AMY ABBEY ROBINSON, CIMA*

Year Born: 1968

Educational Background:

- B.A., Plan II, University of Texas, Austin, TX 1989
- M.B.A., Option II MBA, University of Texas, Austin, TX 1996
- IMCA Certified Investment Management Analyst Program, University of Pennsylvania The Wharton School 2004

Business Experience:

- RW Value Management, Inc.; Investment Advisor 5/10 to Present
 - President, Chief Executive Officer
- RW Value Management, Inc.; Investment Advisor 7/08 to 5/10
 - Vice President, Chief Operations Officer
- RW Value Management, Inc.; Investment Advisor 9/04 to 7/08
 - Owner, Director of Client Service & Marketing
- UBS Financial Services, Inc.; Broker 10/95 to 9/04
 - Account Vice President, Investment Management Consultant
- H.E. Butt Grocery Company; Retail Grocer 6/91 to 6/95
 - Business Analyst
- Bankers Trust Company; Bank 4/90 to 12/90
 - Financial Analyst
- Federal Reserve Bank of Dallas; Government 5/88 to 8/88
 - Assistant to the Vice-President of Financial Industry Studies

Disciplinary Information: There are no legal, financial or disciplinary events for Amy Robinson.

Other Business Activities: None

Additional Compensation: Amy Robinson does not receive any economic benefit for providing advisory services beyond the scope of RVM.

Supervision: Amy Robinson is supervised through a compliance program designed to prevent and detect the advice Ms. Robinson provides to clients. Compliance supervision includes review of portfolios, review of investment policy statements, review of advisory agreements, review of emails, personal transactions and portfolio trading. Supervision is conducted by the Chief Compliance Officer, Charles Robinson, (210) 490-2545.

***Certified Investment Management Analyst (CIMA):**

The CIMA certification signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for investment management consulting, including advanced investment management theory and application. Prerequisites for the CIMA certification are three years of financial services experience and an acceptable regulatory history.

To obtain the CIMA certification, candidates must pass an online Qualification Examination, successfully complete a one-week classroom education program provided

by a Registered Education Provider at an AACSB accredited university business school, and pass an online Certification Examination. CIMA designees are required to adhere to IMCA's Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks. CIMA designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification. The designation is administered through Investment Management Consultants Association (IMCA).

Requirements for State-Registered Advisers.

Please be advised that no supervised person of RVM, has been involved in an award or has otherwise been found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

Additionally, no supervised person of Robinson Value Management has been involved in an award or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices

Neither RVM nor any person associated with the adviser has a relationship or arrangement with any issuer of securities.

Business Continuity Plan

General

RVM has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

Disasters

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear

emergency, chemical event, biological event, communications outage, railway accident and aircraft accident.

We do not hold customer funds or securities nor do we perform any type of clearing function. Therefore, our customers may access their funds and securities at any time through their qualified custodian and we recommend that they obtain a Business Continuity Plan (BCP) directly from their custodian.

Alternate Offices

In the event of a significant business disruption (SBD) the firm has established an alternative business location and maintains back-ups of the network server with all vital information needed in order to continue its operations.

In such an event, the firm will post a notice on its website (www.robinsonvalue.com) immediately indicating how clients may contact the firm.

Loss of Key Personnel

RVM has not signed a Business Continuation Agreement with another financial advisory firm to support RVM in the event of Charles W. Robinson, III's and Amy Abbey Robinson's serious disability or death. In the event of the serious disability or death of one, but not both, of these principles, clients would be informed of the circumstances, as well as how the business would or would not continue, and be encouraged to make whatever changes are needed to serve their interests. In the event of the serious disability or death of both of these key personnel, RVM would not want to appear to represent that the management of its client accounts would continue unchanged under the leadership of another firm. We are investors with a long term horizon and we do not take custody of client assets, so while issues of custody would continue to be taken care of by the custodian, the client would have time to make and implement a decision about where to seek future advice.

Information Security Program

Information Security

RVM maintains an information security program to reduce the risk that any client's personal and confidential information may be breached.
