

**Firm Brochure
Form ADV Part 2A**

Mok Capital Management

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This brochure provides information about the qualifications and business practices of Mok Capital Management. If you have questions about the contents of this brochure, please contact us at 650-318-8077, or smok@rr.firstallied.com. 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.

Mok Capital Management is a registered investment adviser. Registration of an investment advisor does not imply any specific level of skill or training. The actual training and experience of our advisor representatives is set forth in Part 2B of our brochure.

Additional information about Mok Capital Management is available on the website of the Securities and Exchange Commission at www.adviserinfo.sec.gov.

Item 2- Material Changes

On July 28, 2010, the United States Securities and Exchange Commission (“SEC”) published “Amendments to Form ADV” which amends the requirements for the disclosure brochure that we provide to our clients as required by SEC rules. This brochure is presented in the new format required to comply with the SEC’s new rules.

This item will discuss, in summary form, only specific material changes made to our brochure, and reference the date of our last annual update of the brochure. Since our last annual updating brochure, dated March 27, 2011, we have made no material changes to this brochure except for (1) changes to our assets under management, as set forth in item 4, and (2) disclosures required under Item 19 required of State Registered Advisers.

SEC rules require that we deliver to clients, and certain prospective clients, within 120 days of the close of our fiscal year, either (i) an updated brochure, or (ii) a summary of material changes to the brochure, together with an offer to provide the complete updated brochure. We may also provide you with other information about material changes, as necessary, if they arise.

You may obtain an updated brochure from us at any time, free of charge, by contacting us by mail, telephone or email. A copy of our current brochure, together with information about persons affiliated with us who are required to be registered as investment adviser representatives, is also available on, or by link from, our website at www.mokcapital.com, and on the SEC website referenced in item 1.

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Item 4 – Advisory Business

Mok Capital Management (hereafter “MCM,” “we” or “us”) was founded by Stanley Quion Mok in March of 1997. At the time, Stan was a senior executive with a major brokerage firm, and believed he could offer clients superior service at more competitive rates by adopting the investment adviser’s fixed fee model of business. Today we continue to do business as a sole proprietorship, with Stan as the President, operating under the name of Mok Capital Management.

Mok Capital Management Services

At Mok Capital Management we provide financial planning and investment advisory services to

- individuals
- trusts
- charities and foundations
- pension and profit sharing plans
- business entities

These services are broad in scope, relating to a wide area of wealth management, including

- planning for milestones (home purchases, education, retirement)
- special needs (such as a disabled child or elder care)
- estate planning
- charitable goals
- tax planning
- financial risks and insurance

We start each client relationship with one or more meetings designed to identify your investment goals, objectives (such as growth, income, capital preservation, or some combination thereof) and risk tolerance. We then create a financial plan and portfolio allocation designed to meet your goals and objectives.

Typically, we create a portfolio consisting of individual stocks, bonds, and/or exchange traded funds. Once we have invested your funds, we review your portfolio at least quarterly and, if necessary, rebalance your account based upon your needs, stated goals and objectives. We then meet with you as needed, and at least annually, to review the performance of your investment, and discuss changes to your financial condition, needs and objectives.

We manage client assets as we see fit, subject only to your general goals, objectives and risk tolerance, and without your prior approval for any trades in the account. Information on our fees, as well as the dates they are assessed, is set forth in Item 5 of this brochure.

We tailor the mix of securities based on your need for income, growth, or a mixture of both, and generally follow a value-based model of investing. That means that we focus on buying securities at comparatively low prices, rather than buying the hot securities of the moment. Accounts may not always be fully invested, as we may wait for the most opportune moment to make trades, and may hold cash balances to reduce risk in times of instability. You may place reasonable restrictions on the types of investments which will be made on your behalf, but this does not extend to the selection of individual securities.

We are increasingly using options to improve returns and reduce volatility in client portfolios. These transactions involve complex portfolio strategies, and specific disclosures are required before your account will be allowed to buy or sell options.

Financial Planning

We provide financial planning services that vary with the needs and desires of our clients. As a rule, we provide financial planning free of charge if we and the prospective client expect us to manage the portfolio. Occasionally, if we expected a very large planning assignment, or if we will not be managing the investments, we may ask a client, in advance, for a separate hourly rate for financial planning services.

When we prepare a financial plan, we gather information through in-depth personal interviews and request relevant financial documents. Specifically, we examine your current financial status, including assets, liabilities, income and expenses. We may request:

- family records
- financial account statements
- budgets
- information respecting risks and insurance coverage
- expected milestones and major obligations (education, care for disabled or elderly family members, child support and retirement).

We may also inquire as to your estate planning objectives, business investments, tax planning, and charitable activities and goals. We examine your future goals and attitudes towards risk. We carefully reviewed the information you review, including a questionnaire, and prepare a written report.

Occasionally we receive requests for investment advice and/or financial planning on a more limited basis. This may include advice on an isolated area of concern, such as estate planning, retirement planning, or other topics. From time to time we may be called upon by clients to provide advice on non-securities matters, relating to estate planning, insurance and/or tax planning.

If you purchase financial planning services you will receive a written report, providing you with a detailed plan designed to achieve your stated financial goals and objectives. Whether you implement a financial plan is entirely your decision. If you implement the plan you are not obligated to conduct the recommended transactions through our firm. If you choose to follow the recommendations contained in the plan, you may need to work closely your attorney, accountant, insurance agent, and/or stockbroker.

We currently manage all of our advisory client assets on a discretionary basis. As of December 31, 2011, we managed approximately \$45,400,000 on such a discretionary basis. This includes approximately \$32,600,000 in our traditional managed accounts, and approximately \$12,800,000 in variable annuities for which we have investment discretion.

Item 5 Fees and Compensation

Advisory Fees

We assess an annual fee for the portfolio and administrative services provided under our management agreement. The fee is based on the market value of the assets under management in each account. That fee is typically calculated as follows:

<u>Assets Under Management</u>	<u>Annual Fee (%)</u>
\$0 to \$249,999	1.85%
\$250,000 to \$499,999	1.65%
\$500,000 to \$999,999	1.35%
\$1,000,000 to \$4,999,999	1.00%
\$5,000,000 and above	Negotiable

Actual rates charged are negotiable and set forth in our written agreement with each client.

How Fees Paid

Our advisory fees are based on the fair market value of the portfolio under management at the closing date of each quarter. We charge fees quarterly, in advance. We provide the custodian with our calculation of fees and the custodian deducts these fees from your account shortly after

the start of the new quarter. If you open an account after the beginning of a calendar quarter, the fees will be prorated accordingly, based on the initial funding of the account.

Our client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. All earned, unpaid fees will be due and payable upon termination. If you terminate the managed account between quarterly billing cycles, you will receive a pro-rata refund for the portion of the applicable quarter remaining at the date of termination, and such refund will be paid within a reasonable time from the date of termination. If we do not receive written notice, we will consider the actual transfer of the account as the written notice, and we will refund fees 30 days after the transfer date.

Services Covered by Advisory Fees

Our fees pay for our portfolio management services to clients, and our related administrative expenses, as well as financial planning services performed for clients, except for special planning or analysis engagements for which hourly or flat rate fees have been negotiated and agreed in writing in advance.

Services Excluded

Our fees do not cover charges and expenses of third parties, including, but not limited to, trading commissions, clearing costs and custody charges, expenses of mutual funds and exchange traded funds that may be included in the client's portfolio, odd-lot differentials, SEC or other regulatory fees, wire transfer fees, third party IRA custodial fees, safekeeping fees, interest charges on margin loans, other fees for transfers of securities or funds, and mark-ups and mark downs. *Item 12 of this brochure further describes factors we consider in recommending broker-dealers.*

Other Services and Fees

We charge by the hour for financial planning services for clients not interested in or expected to retain us for portfolio management services. An estimate of the amount of time required to produce a financial plan will be given to each client in advance. Hourly rates are set forth in a written contract entered into prior to the start of any assignment. Financial planning fees are due and payable as incurred.

Unless otherwise agreed in writing, fees for specific administrative and consulting services, outside the scope of our normal services, will be billed at an hourly rate of \$250.00 per hour, and shall be due and payable as services are incurred.

All fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. MCM generally does not purchase mutual funds for managed accounts. If we were to do so, we would be required to execute the trade on terms where the fund shares would be sold at net asset value, without payment of sales charges.

Also, as further discussed in Item 10 (below), our advisers may from time to time recommend certain insurance products, including variable annuities, which impose sales fees or commissions. The receipt of such compensation constitutes a conflict of interest. In connection with the sale of such a product, we require that the adviser disclose the nature of the conflict and the amount of such compensation prior to the sale of such product. Because annuity sales fees and commissions are only paid on assets after they are no longer subject to our annual fee, we do not offset such fees or commissions.

Clients have the option to purchase investment products that we recommend - including mutual funds and/or variable annuities - from other advisors, brokers and investment professionals that are not affiliated with us.

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

We do not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client).

Item 7 Types of Clients

We serve a broad range of clients, including individuals, trusts and foundations, pension and profit sharing plans, and business entities. The vast majority of our accounts are individuals and their living trusts, as well as IRAs and small business retirement accounts.

Our accounts are not subject to a minimum annual fee. Typically we do not take on accounts of less than \$250,000, but there is no minimum starting account size. Fees and minimums may be negotiable, at our discretion. Our fee agreement does allow us to cease management of an account if the asset value drops below \$50,000.

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

Methods of Analysis

We use both fundamental and technical analysis to construct and manage client portfolios.

Fundamental analysis involves the review of industry information, analyst and news reports, financial statements and security price information to find long term value. Our fundamental analysis may include the use of statistical analysis of a company's performance, both individually, and as compared to its competitors. We generally examine a company's stock price as it relates to earnings and growth prospects, and stock prices of competitors. We may also examine the following issues:

- management's competence
- competitive products in the market
- growth prospects
- legal disputes
- tax matters
- legislative and political concerns
- data on the impact of economic cycles on a company's sector and industry

Technical analysis includes short-term timing to find support levels and determine resistance levels, following supply and demand trends for securities, and the use of stop-losses when possible. We also look for the impact of large institutional traders in the market by watching volume patterns and breakout patterns.

Investment Strategy and Risk of Loss

Investing in securities involves a wide range of risks. These risks include economic, market, currency, inflation, liquidity and credit risk.

While some types of risk may be reduced by the use of certain investment strategies, many risks cannot be eliminated, and all types of securities involve risk. Client account value may increase or decrease over time, and you should expect fluctuations when investing in securities. Past performance does not guarantee future results.

We invest client funds primarily in stocks, exchange-traded funds and bonds, including securities issued by foreign companies. We also obtain premiums for clients from the sale of certain options, primarily covered calls and cash covered puts. We work with our clients to determine their level of comfort with particular risks and classes of securities, and then create an account tailored to the client's concerns.

Some clients prefer to invest principally in securities that pay them a regular income, and may believe that such securities involve less risk than other securities. However, during times of inflation, the value of such securities, and the relative income they generate, may decline significantly. We work with clients to produce an investment strategy that reduces risks from inflation. We live in a period of extraordinary government and personal debt, and economists disagree as to the relative risks of inflation and deflation. While we can craft strategies that anticipate either condition, each such strategy has its own unique risks.

Also, while we generally purchase client securities from a wide range of companies involved in numerous industries and from many different places, from time to time we may hold somewhat disproportionate positions in securities or market sectors that we believe will outperform the market. If we are wrong about this allocation of an investment, accounts may incur significant losses.

Our investments include a significant number of securities of foreign countries and foreign companies. There are unique political and economic risks associated with the securities of each foreign nation. Also, if the currency of a particular country declines significantly against the United States dollar, securities of companies from that country may incur losses.

As described above, we utilize both fundamental and technical analysis of securities. These are commonly used by investment professionals. Each has its limitations, with attendant risks.

Fundamental analysis requires analysis of a great deal of data about a company's performance, management and strategy, as well as about its industry, legal issues and market conditions. However, much about a company's management and business remains secret, and there is always a real risk that the public information we obtain is incomplete.

We also use technical analysis such as price and volume patterns, and historical performance data to draw inferences about future performance of a particular security, and the market generally. However, prior history offers no guarantees about future performance of securities.

Item 9 Disciplinary Information

We are required to disclose all material facts regarding specified legal or disciplinary events that would be material to your evaluation of our firm. We have no information applicable to this item.

Item 10 Other Financial Industry Activities and Affiliations

Two of our adviser representatives, Stanley Q. Mok and Ronald A. Baker, are each separately registered as a broker-dealer representative of First Allied Securities Inc. ("First Allied"), a Financial Industry Regulatory Authority (FINRA) registered broker-dealer and an investment adviser. Mr. Mok holds the following FINRA licenses: Series 7 (general securities representative), Series 24 (securities principal), Series 4 (options principal) and Series 65 (investment advisor representative). Mr. Baker holds the following FINRA licenses: Series 7, Series 63 (uniform securities agent state law) and Series 65.

Mr. Mok is separately licensed as an insurance agent/broker for various independent insurance companies, and serves as an investment adviser representative for First Allied Securities, Inc.

In their separate roles as either a registered representative of First Allied, or as an independent insurance agent, Mr. Mok and Mr. Baker will be able to implement securities and/or insurance transactions for advisory clients for separate and typical compensation. The advisory services we offer are entirely separate and distinct from the advisory services of First Allied. We do not provide investment advice on First Allied's behalf. First Allied does not warrant the sources of information, investment strategies, or the contents of any information we provide. We estimate that Mr. Mok will spend 15% of his time on all related activities.

Mr. Baker is, in addition to his duties at this firm, a member of the California Bar, and maintains a small part-time law practice in business and technology law. Mr. Baker spends less than 15% of his time on his law practice, and does not provide legal advice to clients of this firm. Mr. Baker does not currently spend a material portion of his time on securities business other than his activities as a registered investment advisor representative.

As registered representatives of a broker dealer, Mr. Mok and Mr. Baker may sell investments that produce compensation for them - or us - which is separate and distinct from the compensation received as a fee based advisor. This compensation may include, from time to time, distribution fees from investment companies. However we do not accept, or permit our employees to accept, such 12b-1 fees on any managed accounts.

While we and our investment advisor representatives must at all times put the interest of the clients first as part of our fiduciary duty, you should be aware that the receipt of compensation for individual transactions itself creates a conflict of interest, and may affect the judgment of advisors when making recommendations.

In order to replicate the advantages of a defined benefit plan, our advisers may, from time to time recommend variable annuities, to generate a lifetime income stream supported by the guarantee of a large insurance company. Such products may generate fees or commissions for this firm and its employees that are separate and distinct from the fees we charge for managed accounts.

However, those products are not subject to our advisory fees, as described in Item 5. The availability of the fees and commissions that are generated by the sale of variable annuities creates a conflict of interest, and thus may affect the judgment of advisors when making recommendations. We deal with this conflict by requiring full disclosure of these fees, and the conflict, to our clients, prior to the completion of any such transaction.

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

MCM has adopted a Code of Ethics which all employees are required to follow. The Code of Ethics sets forth a standard of conduct for each employee in the conduct of certain business and personal activities. The Code contains provisions relating to confidentiality of client information, employee securities trading and the avoidance of and/or disclosure of conflicts of interest; it also contains a prohibition of insider trading. Employees must promptly report any violation of the Code. MCM's chief compliance officer regularly evaluates employee performance to ensure compliance with the Code of Ethics.

A copy of the Code of Ethics is available to any client or prospective client upon request.

It is the expressed policy of this firm that our employees may buy or sell any security on the same business day as transactions being implemented for advisory accounts, so long as such employees do not benefit by way of a better price than transactions placed on behalf of advisory accounts.

We allow individuals associated with us to buy or sell securities identical to those recommended to customers (or securities related to such securities, including options, warrants or futures) for their personal accounts. Additionally, any related person(s) may have an interest or position in securities which may also be recommended to a client, and, except for transactions in a discretionary account, may receive commissions for trades of securities made on behalf of a client.

As these situations represent a conflict of interest, we have established the following rules and restrictions in order to ensure that we meet our fiduciary responsibilities:

1) No principal or employee of MCM may buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment, unless the information is also available to the investing public on reasonable inquiry. No person of MCM shall prefer his or her own interest to that of the advisory client.

- 2) We maintain a list of all securities holdings for MCM, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by Stanley Mok.
- 3) The client may decline to implement any advice rendered, except in situations where we are granted discretionary authority of the client's account.
- 5) All of our personnel must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- 6) Any individual not in observance of the above may be subject to termination.

We may from time to time aggregate trades for MCM, and/or our employees, with client trades. When we do so, we will observe certain standards of conduct. Our rules for aggregation are further described in Item 12 below.

Neither MCM nor its employees are permitted to engage in any principal or agency cross securities transactions for client accounts. That means neither we nor our employees will sell securities to clients, or buy securities from a client, for the account of this firm or any employee or affiliated firm, nor will we cross transactions between client accounts.

Item 12 Brokerage Practices

Broker Selection

Our management agreement provides us with written authority to determine which broker-dealer is used and the commission rates to be paid. Terms of the management agreement are subject to negotiation, but are rarely changed.

We will direct transactions for client accounts to broker-dealers that we and our clients agree upon. In directing or recommending broker-dealers, we seek “best execution” for client accounts, which is a combination of a number of factors including price, execution quality and research and other services which provide direct or indirect benefit to our clients. Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was effected. We may, therefore recommend or use a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance.

Some clients already have a pre-established relationship with a broker and may request that we execute all transactions through that broker. As discussed in Item 10, our adviser representatives,

Stanley Q. Mok and Ronald A. Baker, are each separately registered as a broker-dealer representative of First Allied Securities, Inc. (“First Allied”). As a FINRA-registered broker-dealer, First Allied is required to supervise all trades placed by its registered representatives, including our employees. Therefore, if a client directs us to use a broker that First Allied does not believe can provide First Allied with the information needed to supervise these trades, we must decline to accept that account.

If you request that we use a particular broker or dealer which is acceptable to First Allied, and that broker or dealer is not one with which we regularly do business, we will not have authority to negotiate commissions or obtain volume discounts. In that case, you may not obtain best execution and you may pay commissions that are different from those charged to other clients.

We have a custody and brokerage relationship with TD Ameritrade Institutional, a division of TD Ameritrade, Inc. (“TD Ameritrade”) member FINRA/SIPC/NFA. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade maintains custody of our clients’ assets and executes trades for their accounts. We are independently owned and operated and not affiliated with TD Ameritrade. Terms for TD Ameritrade’s custody and execution services are set forth in their account agreements. We believe that in the case of managed accounts, TD Ameritrade’s blend of execution services, commission and transaction costs as well as professionalism provides our clients with best execution and competitive prices.

We may recommend/require that clients establish brokerage accounts with TD Ameritrade to maintain custody of clients’ assets and to effect trades for their accounts. The final decision to custody assets with TD Ameritrade is at the discretion of our client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. When we open a managed account for a new client, we provide the client with account application forms for TD Ameritrade, and we work with the client to transfer assets to the new account.

For our client accounts held in its custody, TD Ameritrade generally does not charge separately for custody services. Instead it is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through TD Ameritrade or that settle into TD Ameritrade accounts.

TD Ameritrade provides us with access to its institutional trading and custody services, which are typically not available to TD Ameritrade retail investors. TD Ameritrade’s services include brokerage services that are related to the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

TD Ameritrade also makes available to us other products and services that benefit us but may not benefit our clients’ accounts. These benefits may include national, regional or MCM- specific

educational events organized and/or sponsored by TD Ameritrade. Other potential benefits may include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from our clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting.

While, as a fiduciary, we seek to act in our clients' best interests, our recommendation/requirement that clients maintain their assets in accounts at TD Ameritrade may be based in part on the benefit to us of these products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by TD Ameritrade, which may create a potential conflict of interest.

In their separate capacities as a registered representative of First Allied, Messrs. Mok and Baker will be able to implement securities and/or, in the case of Mr. Mok, insurance transactions, for advisory clients for separate and typical compensation.

We may, on occasion, use First Allied to implement trades for advisory clients when to do so is consistent with our fiduciary obligation of best execution. However, we do not accept commissions for transactions in discretionary accounts.

The advisory services we offer are entirely separate and distinct from the advisory services of First Allied. We do not provide investment advice on First Allied's behalf. First Allied does not warrant the information we provide, or our investment strategies. First Allied does receive a portion of our advisory fee.

Aggregation of Orders

We aggregate the orders of clients where possible and when advantageous to clients. Block trading allows us to execute trades more quickly and fairly, and to reduce overall commission charges to clients. If a client is new to this firm, or for any reason needs to change the mix of securities in its account, we will not be able to aggregate their transactions. When we aggregate trades for the firm or its employees with client trades, we will comply with all applicable federal and state regulations, as well as the following:

- 1) We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek best execution for our clients and is consistent with the terms of our investment advisory agreement with each client for which trades are being aggregated;
- 2) No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given

security on a given business day, with transaction costs shared pro-rata based on each client's participation in the transaction;

3) We will prepare, before entering an aggregated order, a written statement specifying the participating client accounts and how we intend to allocate the order among those clients;

4) If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the written statement; if the order is partially filled, it will be allocated pro-rata based on the written statement.

5) Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the written statement if all client accounts receive fair and equitable treatment and the reason for different allocation is explained in writing and is approved by our compliance officer no later than one hour after the opening of the markets on the trading day following the day the order was executed;

6) Our books and records will include in the daily trade blotter, the orders which are aggregated, and bought and sold for those accounts;

7) Funds and securities of clients whose orders are aggregated will be deposited with one or more banks or broker-dealers, and neither the clients' cash nor their securities will be held collectively any longer than is necessary to settle the purchase or sale in question on a delivery versus payment basis; cash or securities held collectively for clients will be delivered out to the custodian bank or broker-dealer as soon as practicable following the settlement; and

8) We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation.

Item 13 Review of Accounts

We perform regular and periodic reviews on managed client accounts. Generally, these reviews are conducted quarterly. However, we may perform more frequent reviews if there are significant changes in market, political, or economic circumstances, or in the client's individual circumstances.

We send quarterly reports to clients with managed accounts. These reports will consist of account balance, performance reviews, overall asset allocation reviews, and billing statements.

Financial planning or consultation clients may arrange for a review of their account for a separate fee, but receive no reports, except as set forth in our written agreement.

Item 14 Client Referrals and Other Compensation

We have not previously compensated third parties for referral of clients, but reserve the right to do so in the future with appropriate disclosure to clients.

Item 15 Custody

Our managed accounts are held in the custody of qualified custodians, principally TD Ameritrade Institutional. The custodian withdraws fees from client accounts as further described in Item 5. The custodian provides our clients with trade confirmations promptly following trades, and account statements at least quarterly, and typically monthly. In addition, we provide clients with our own quarterly statements. Clients should review all statements carefully, and should compare the statements we send to those furnished by the custodian. On occasion, our statements may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities. Clients with any questions or concerns about confirmations or statements should notify us immediately of any errors, questions or concerns.

Item 16 Investment Discretion

We generally receive discretionary authority from our clients at the outset of our relationship, authorizing us to select the identity and amount of securities to be bought or sold. We are required to exercise that discretion in a manner consistent with the investment objectives of each particular client account. We select securities, and the time and amount of purchases, in accordance with the investment policies, limitations and restrictions of each client. Certain charities, business entities and registered investment companies may also be limited by securities and/or tax law as to the types of investments that they may make. You must provide us with any such guidelines or restrictions in writing.

Item 17 Voting Client Securities

As a general policy we obtain a proxy from each client with respect to the account we manage, authorizing us to vote your shares on your behalf. We believe that this policy is consistent with the desire of most clients to avoid the immense amount of disclosures and voting obligations associated with share ownership. Except in rare circumstances, we vote client shares in

accordance with the recommendations of management, as our investment decisions are generally predicated upon a fundamental satisfaction with the practices of management.

Clients may obtain from us, upon reasonable request, information about how we voted any specific proxies on their behalf. Clients may also elect not to grant us a proxy, and handle their own voting as they see fit.

Item 18 Financial Information

This item requires registered investment advisers with discretionary authority or custody of your assets to provide you with certain disclosures about their financial conditions. For purposes of this Item, we are not deemed to have custody of your account, as the assets in your account are held by unaffiliated third parties and we do not accept client prepayment of fees for six months or more in advance of services. We have no financial condition that impairs our ability to meet our obligations to our clients.

Item 19 Requirements for State-Registered Advisers

Mr. Mok is our founder, President, and Chief Compliance Officer. His business background, education, and a description of his other business activities, as well as other relevant information pertaining to Mr. Mok, and, as applicable, to our other advisers, is set forth in Part 2B, the Supplemental Brochure to Form ADV. A copy of Part 2B for each of our advisers should be attached hereto.