

Treece Investment Advisory Corp.

Treece Investment Advisory Corp.
6800 West Central Avenue., Unit G-1
Toledo, Ohio 43617
Phone: (419) 843-7744
Phone: (800) 624-5597
Fax: (419) 843-7742
www.TreeceInvestments.com

This brochure provides information about the qualifications and business practices of Treece Investment Advisory Corp. If you have any questions about the contents of this brochure, please contact us at the phone number listed above. 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. Please note, where this brochure may use the terms "registered investment adviser" and/or "registered", registration itself does not imply a certain level of skill or training. Additional information about the firm and its representatives is also available on the SEC's website at www.adviserinfo.sec.gov

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Item 2: Material Changes

Due to a series of recent changes in securities regulation, investment advisers are now required to deliver disclosure information in this new narrative format ("Form ADV Part 2"). This brochure incorporates the same features and information provided previously within the Form ADV Part II.

Updates to the information contained within this brochure will be provided to clients on an immediate basis. This section will be updated to reflect such changes in a summary form. Should you have any questions related to these disclosures, please contact a firm representative at your convenience.

Additional information about Treece Investment Advisory Corp and its representatives is also available on the SEC's website at www.adviserinfo.sec.gov

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Sample Investment Advisory Agreement

Sample Limited Power of Attorney

Sample Letter to Fund Company

Rule 206 Disclosure

Investor Data Sheet

Item 4: Advisory Business

Established in 1988 by firm principal Dock D. Treece, Treece Investment Advisory Corp (“Treece”) provides investment management services to individuals, trusts, corporations, and other business entities. We manage investments on a discretionary basis by allocating client assets among a variety of mutual funds according to client objectives, our investment strategy, and market conditions. Our investment management strategy is designed to protect the principal invested, and to increase the amount of capital overall.

Our management strategy attempts to avoid fast profit, high risk ventures by taking advantage of certain mutual fund families and annuity products which offer certain “conversion privileges” or “Exchange Privileges” as outlined in SEC Rule 11a-3 and mutual fund prospectuses. These investments allow the switching of assets to different funds without a commission after initial charges have been satisfied (conversion privileges) to increase profit potential while minimizing risk.

This method allows for growth of investment capital in aggressive markets and movement from these markets when growth subsides. Funds can be moved to other markets, or if conditions warrant, be moved to a money market fund to protect the investment. In other words, we aim to avoid market and economic risk by maintaining a defensive position where downturn is apparent and by taking an aggressive stance during periods of market growth. We strive to maintain a record of appreciation in even the poorest of economic conditions. The result of this effort is often that client’s investments will be maintained in one or two mutual funds. Therefore, the account may experience volatility and concentration risk that would not be present in a more diversified portfolio.

Treece’s money management system is comprised of the following:

- **Two-Tiered Management:** Aside from Treece’s management, the managers of the various funds in which we invest have professional experience and extensive track records
- **Diversification:** Risk is mitigated by investing in and out of mutual funds
- **Commission-Free Switches:** Unlike stocks or mutual fund trading where commissions are often charged on each transaction, a nominal fee (typically \$5.00 per account) is charged by the fund on each exchange. Commission-free exchanges between funds are allowed only within a family of funds, and are outlined under SEC Rule 11a-3.
- **Prudent Management:** If the economic situation does not appear favorable for investment; Treece simply moves client assets into their personal money market fund.
- **Reporting:** Treece publishes a monthly newsletter to keep clients informed. The newsletter contains the following:
 1. Notice of the firm’s current investment strategies
 2. Content share value and the number of shares in the clients account, confirmation of the value of assets in each fund
 3. When a switch is to be made
 4. When the fund generates a confirmation (showing the exchanges, any liquidations, additions, etc)

Assets Under Management: As of the date of this filing, we manage \$45,756,248.52 spread across approximately 557 accounts. This information was compiled within 90 days from the date of this brochure.

Item 5: Fees and Compensation

Fees are invoiced in arrears at the end of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Fees are debited from the account in accordance with the client authorization in the Client Services Agreement.

Our fee schedule is as follows:

Assets Under Management	Annual Advisory Fee
\$0-\$500K	2.0%
\$500K-\$1M	1.75%
\$1,000,001 to \$5M	1.50%
Over \$5M	Negotiable

Fee Calculation: The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (Section 205(a)(I) of the Advisers Act). These fees are based upon a percentage of the total assets under management, including money market balances. All securities and their values are determined by each mutual fund company and/or their designee unless otherwise noted. Our fee calculations are derived from these valuations.

In addition to these fees the firm has also instituted a processing/administrative fee of 1%. This fee is derived from the assets under management and charged upon each new account opening and at each subsequent investment to an existing account. This fee is for processing and administrative services, including, but not limited to, covering the following costs associated with: the time spent during initial meetings and conferences with new clients to explain Treece's advisory services (to determine if those services are suitable to the client's financial circumstances), administrative and documentation services involving the establishment of client account(s); and follow-up on deposits and investment transfers to ensure timely and proper account registration and investment positioning (for existing client accounts). Please see Item 7 for further information relative to additional charges and minimum conditions for maintaining/opening an account.

Since the time for processing new accounts and subsequent deposits is relatively constant, some clients may pay more for substantially the same service because of the variation in amounts of money invested. Due to the relatively constant nature of processing new accounts and subsequent deposits, the initial fee is subject to negotiation, but only under unusual circumstances and at the sole discretion of the firm. Clients should note that similar services may (or may not) be available from other registered investment advisers for similar or lower fees.

Please note: All fees remain negotiable, but at the sole discretion of the firm. Where clients may incur additional expense from brokerage-based activities, clients should be aware that all custodial and execution fees remain separate and distinct from those fees

charged by Treece for its asset management services. Clients should note that the firm and its representatives receive additional compensation in the form of commissions and 12b-1 distribution fees from the respective mutual fund/investment companies for each investment made through Treece Financial Services Corp, our affiliated FINRA registered broker-dealer. Subsequent exchanges do not impose commissions except where the exchange involves moving the investment from a no-load fund or low-load fund to a higher load fund. The two entities remain under common control and ownership (see Item 12 for further discussion on this relationship and more information on our brokerage-related practices).

All fees paid to Treece for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders (our clients). 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. We do not charge any fees in advance.

A client could invest in a mutual fund directly, without our services. However, the client would not receive the services provided by Treece Investment Advisory Corp. which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives.

Accordingly, clients should review both the fees charged by the mutual funds and the fees charged by our firm to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Termination of Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

Item 6: Performance-based fees and Side-by-Side Management

At this time, we do not manage any private funds. Therefore, side-by-side management is not a concern and performance-based fees are not charged for our asset management services.

Item 7: Types of Clients

As mentioned in the response to Item 4, we provide investment management services to individuals, trusts, corporations, and other business entities.

Minimum Account Size and Invoicing: Treece Investment Advisory Corp. requires a minimum account size of \$10,000 for opening an advisory account. All fees are negotiable, but only under certain circumstances, Treece Investment Advisory Corp. may group certain related client accounts for the purposes of achieving the minimum account size. We will quote an exact percentage to each client based on both the nature and total dollar value of that account.

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

Treece's research and analysis techniques extend to the *Technical*, *Fundamental*, *Chart-derived*, and *Cyclical* methods. We make use of third party research to review money supply figures, interest rates, and other information to analyze trends in the marketplace. This data is compiled and evaluated internally for use by our investment professionals.

Investment decisions are determined, in part, by performing a technical and charting analysis of the Dow Jones Industrial Average against its 10 day moving average, charting the Dow Jones Composite against its 10-day moving average, and by charting various mutual funds together with records of the New York Stock Exchange Volume.

By comparing the relationship of the various charts and using fundamental analysis, we determine whether and when to switch mutual funds. Accordingly, we will utilize both long term and short term purchase strategies.

- **Charting:** Charting consists of preparing a technical analysis using diagrams to illustrate various patterns or progressions in market or account movement.
- **Fundamental:** Fundamental analysis is a general assessment based upon various factors including sale price, asset value, market structure, and history.
- **Cyclical:** Cyclical analysis is a time based assessment which incorporates past and present performance to determine future value.
- **Technical:** Technical analysis employs the use of advanced data aggregation techniques to define certain trends of progressions in marketplace activity

Risk of Loss: Investing in securities involves a certain amount of risk of loss that clients should be prepared to bear. Where short term trading methods are employed, the cost of more frequent trades can often incur more expense than that of a more conservative or long term purchase approach. Questions regarding these risks and/or increased costs may be directed to the firm and its representatives.

Item 9: Disciplinary Information

Rule 206(4)-4 of the Investment Advisers Act of 1940 requires investment advisers to provide their client's with disclosures as to any legal or disciplinary activities deemed material to the clients evaluation of the adviser. Please note, neither the firm nor its personnel have any disciplinary, regulatory, criminal, civil, or otherwise reportable history to disclose at this time.

Item 10: Other Financial Industry Activities and Affiliations

Treece Investment Advisory Corp., is affiliated with a FINRA registered broker-dealer; Treece Financial Services Corp ("TFSC"). Investment professionals working on behalf of the advisory business may, in addition, serve as separately licensed registered representatives of the broker-dealer. Accordingly, said representatives are subject to additional commission-based compensation.

While the firm endeavors at all times to put client-interest first as part of its fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of this individual when making investment recommendations. In order to properly handle such potential conflicts of interest, the firm has adopted a Code of Ethics. Please see Item 11 for further discussion related to the firm's Code of Ethics.

<p>Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</p>
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As required by Rule 204A-1 of the Investment Advisers Act of 1940, Treece Investment Advisory Corp. has adopted a Code of Ethics expressing our commitment to ethical conduct. The Code of Ethics describes the firm's fiduciary duties and obligations to clients, and sets forth our practice of supervising the personal securities transactions of employees who maintain access to client information.

Individuals associated with Treece may buy or sell securities for their personal accounts identical to, or different from, those recommended to clients. It is our expressed policy that no person employed by the firm shall prefer his or her own interest to that of a client or make personal investment decisions based on the investment decisions of our clients.

To supervise compliance with the Code of Ethics, Treece requires that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holdings reports and quarterly transaction reports to the firm's Chief Compliance Officer. Treece requires such access persons to also receive approval from the Chief Compliance Officer prior to investing in any IPOs or private placements (limited offerings). Treece requires that all individuals must act in accordance with our written supervisory procedures and all applicable Federal and State statutes/regulations.

Treece's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. Any individual not in observance of the above may be subject to discipline and/or termination. Treece will provide a complete copy of its Code of Ethics, free of charge, to any client or prospective client upon request.

Treece does not aggregate trades for itself or for its associated person with client trades, since mutual fund trades are priced at the NAV each evening.

<p>Item 12: Brokerage Practices</p>
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For clients in need of brokerage or custodial services, Treece Investment Advisory Corp. will recommend the use of TFSC, its affiliated broker dealer (under common control and ownership). However, a client is not under any obligation to affect trades through any recommended broker. All clients are free to select any broker dealer of their choice. In selecting a broker or dealer, an investor should inquire about classes of shares available and fees associated with each.

Please note, Treece does not receive any research, products, client referrals, or other services from a broker-dealer or third party in connection with client-based securities transactions (soft dollars).

Item 13: Review of Accounts

Firm principal's Dock, Dock David, and Benjamin Treece, continuously monitor the underlying securities in client accounts. Further, accounts are reviewed upon each asset allocation change in mutual fund accounts and at the end of each quarter. The firm also employs an Assistant-Administrator who reviews all accounts for correct exchanges, prices, dates and values.

In addition to reports provided by individual mutual funds when fund switches occur, Treece provides clients with a brief summary of the switches of the mutual fund investments together with a statement of the value of each account at the end of each calendar quarter. The gains report will include any capital gains and/or dividends reinvested in the account.

Clients are encouraged to contact the firm immediately with any changes to their financial situation as such changes may impact the status of their financial plan or investment account(s).

Item 14: Client Referrals and Other Compensation

On occasion, Treece may compensate, either directly or indirectly, another person or an entity for client referrals. The firm is aware of the special considerations promulgated under Section 206(4)-3 of the Investment Advisers Act of 1940 and similar state regulations. As such, an appropriate disclosure shall be made, and the firm will maintain all written instruments, and all applicable Federal and/or State laws will be observed.

Item 15: Custody

Please note: Other than the client authorized direct deductions of fees from accounts, Treece does not maintain or accept *custody** of client funds or securities.

**Custody means holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them (def. Rule 206(4)-2 Investment Advisers Act of 1940).*

Item 16: Investment Discretion

Treece maintains discretionary authority over the selection and amount of securities to be bought or sold in client accounts without obtaining prior consent or approval from the client. However, these purchases or sales are subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by the firm.

Discretionary authority will only be authorized upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of an agreement/contract containing all applicable limitations to such authority. We make only those investment decisions that are suitable for each client.

Item 17: Voting Client Securities

Treece will not vote, nor advise clients how to vote, proxies for securities held in client accounts. The client maintains the authority and responsibility for the voting of these proxies. The firm and its clients agree to this by contract.

Clients will receive their proxies or other solicitations directly from the mutual fund sponsor or a transfer agent of their designation.

Item 18: Financial Information

Under Rule 206(4)-4 of the Investment Adviser Act of 1940, Investment Advisers are required to disclose certain financial information about their business practices that might serve as material to the client's decision in choosing an investment adviser.

As of the date of this filing, Treece does not require the pre-payment of any fees or maintain any financial hardships or other conditions that might impair its ability to meet its contractual obligations to clients.

Item 19: Educational Background and Business Experience

Dock D. Treece: President, Chief Compliance Officer/Investment Adviser Representative

Dock Treece (born 1950), has served as President, Chief Compliance Officer, and an investment adviser representative of Treece Investment Advisory Corp for the past 20+ years. He has also served in a similar capacity with the firm's affiliated broker-dealer entity, Treece Financial Services Corp.

Mr. Treece is a 1973 graduate of Henry Ford Community College and currently holds the Series 4, 7, 24, 27, 63, and 66 licenses/examinations.

Dock David Treece: Vice President/Investment Adviser Representative

Mr. Treece joined the firm in 2008. Since that time he has served as an investment adviser representative of the firm and a registered representative of the firm's broker-dealer. Prior to his career with Treece, Dock David served as an intern with Franklin Templeton Funds in 2006. He also served with John Hancock Financial Network during the same year.

Dock David currently holds the Series 7, 24, 27, and 66 licenses/examinations. Dock David is a 2008 graduate from the University of Miami.

Benjamin Cory Treece: Vice President/Investment Adviser Representative

The newest member of the Treece family to join the firm, Benjamin (born 1988) joined Treece in June of 2009 after graduating from the University of Miami in December of that year. Along with his father and brother, Benjamin serves as an investment adviser representative of the firm and a registered representative with the firm's affiliated broker-dealer.

Mr. Treece currently holds the Series 7, 24, 27 and 66 licenses/examinations.

Item 20: Disciplinary Information
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Please note: The investment adviser representatives listed above do not have any legal, civil, criminal, regulatory, or disciplinary history to report at this time.

Item 21: Other Business Activity

Dock D. Treece

In addition to his duties as an investment adviser representative, Mr. Treece serves as a registered representative with TFSC. Mr. Treece is also licensed as an insurance agent. In this capacity, he is able to purchase a variety of insurance products through TFSC. As such, Mr. Treece, in his separate capacity as registered representative and insurance broker, will be able to effect securities transactions and/or purchase other investment products (insurance) for clients, for which he will receive separate, commission-based compensation. However, clients are under no obligation to engage Mr. Treece for the purchase of such products. This activity may take up to 35% of his time.

Mr. Treece is also the owner of Douglas Allen & Associates ("DAA"), a company in the business of providing administrative and other office-based services. Services provided by DAA are separate and distinct from the advisory services of Treece Investment Advisory Corp., and are not offered to advisory clients of Treece Investment Advisory Corp. Mr. Treece may allocate up to 10% of his time on managing this business.

Mr. Treece is also the owner of N73IPC, LLC and Treece Properties, LLC, holding companies which own an airplane and an office building respectively. Moreover, Mr. Treece serves as the President of Treece Holding & Management Company, a currently non-operative corporation. He is also an active member of many charitable organizations. Mr. Treece may spend as much as 5% of his time with these related activities.

Dock David Treece

Mr. Treece does not have any other significant business interests or activities to be reported at this time.

Benjamin Cory Treece

Mr. Treece does not have any other significant business interests or activities to be reported at this time.

Item 22: Additional Compensation

Please review the biography of each representative listed under Item 21 of this supplement for information regarding any additional compensation earned by these representatives.

Item 23: Supervision

Dock D. Treece remains responsible for the supervision of each employee of the firm. This supervision extends to reviewing their business practices and monitoring the advice given to clients. Questions related to the activities of any employee may be directed to Mr. Treece at the phone number listed on the cover of this brochure supplement.

Miscellaneous

Privacy and Information Safeguarding: Treece's primary goal is to protect the privacy of its clients and their accounts. In the course of conducting business, we collect nonpublic personal information from such sources as:

- Information reported by clients to the firm
- Information about client transactions from affiliates or others

Where the firm does share certain nonpublic information to service our client accounts, we do not disclose such information about our clients or former clients to anyone, except as permitted by law. To provide clients with the utmost service, we may disclose the information below with regard to our clients and/or former clients as necessary to perform certain services, or as otherwise required by law:

- Information the firm receives from client applications (name, SS#, address, assets, etc.)
- Information about client transactions with the firm or others (account information, payment history, parties to transactions, etc.)
- At times, we may disclose nonpublic personal information to affiliated third parties including our affiliated broker-dealer, Treece Financial Services Corp. Information collected may be shared as described above.

The firm has implemented internal safeguards to protect the nonpublic information collected. Such safeguards include physical, electronic, and procedural protections. The firm also restricts access to such information to those employees that service client accounts.

Business Continuity Planning: We have developed a business continuity plan to respond to events that significantly disrupt our business. Since the timing and impact of disasters and disruptions is unpredictable, the firm must maintain flexibility in responding to actual events as they occur. A copy of the firm's business continuity plan will be made available upon request.