

Item 1 – Cover Page

Pugh Capital Management, Inc.

520 Pike Street, Suite 2900

206-322-4985

www.pughcapital.com

January 26, 2012

This Brochure provides information about the qualifications and business practices of Pugh Capital Management, Inc. ["Pugh Capital"]. If you have any questions about the contents of this Brochure, please contact us at 206-322-4985 and/or info@pughcapital.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.

Pugh Capital Management, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Pugh Capital Management, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. Our last annual update of our brochure dated January 28, 2011 is a new document prepared according to the SEC’s new requirements and rules. An interim amendment was filed on September 15, 2011 due to a change to our fee schedule and minimum assets requirement for new client accounts.

Material changes of this Brochure dated January 26, 2012 from our previous annual brochure dated January 28, 2011 include:

1. The firm has grown its assets under management from \$1769.0 million as of December 31, 2010 to \$1,996.8 million as of December 31, 2011. On a discretionary basis, the amount of client assets we manage has increase to \$1,996.2 million as of December 31, 2011 from \$1,681.7 million as of December 31, 2010.
2. As amended in the interim brochure dated September 15, 2011, the firm has revised its fee schedules for all product offerings, except for the schedule of the short term fixed income product, as detailed in Item 5 – Fees and Compensation.
3. As amended in the interim brochure dated September 15, 2011, for Mortgage Strategy product the firm has increased the minimum assets to accept new client accounts from \$10 million to \$15 million.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Danielle Christianson at 206-322-4985 or info@pughcapital.com.



Form ADV Part 2A

Additional information about Pugh Capital Management, Inc. is also available via the SEC's web site www.adviserinfo.sec.gov. You may obtain the brochure as Form ADV Part 2 by searching Pugh Capital in the Investment Adviser Search. The SEC's web site also provides information about any persons affiliated with Pugh Capital who are registered, or are required to be registered, as investment adviser representatives of Pugh Capital.

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Item 4 – Advisory Business

Pugh Capital Management, Inc. is an SEC registered investment advisor and was founded in Seattle, Washington in 1991. We specialize in investment-grade fixed income portfolio management for institutional investors. Our goal is to provide our clients with responsive client service and consistent, above-benchmark returns. We pursue these objectives through a disciplined approach to investment management and by developing strong client relationships. Pugh Capital's experienced professionals strive to achieve success for our clients, our company, and our community.

Our founding principals, Mary Pugh and Scott Greiwe, built the firm through capital infusions, the reinvestment of earnings and through "sweat equity". We have endowed Pugh Capital with a client-centric and performance based culture. As a result of these efforts, the firm has grown its assets under management from \$5 million at its inception to \$1,996.8 million as of December 31, 2011. On a discretionary basis, the amount of client assets we manage reaches \$1,996.2 million as of December 31, 2011.

Pugh Capital is a fixed income manager focused on providing separate account management to the institutional investment community. Pugh Capital's product offerings include: Core Fixed Income, Intermediate-Term Fixed Income, Short-Term Fixed Income, Mortgage Strategy, Long Duration Strategy, and Core Plus Fixed Income. Clients may impose restrictions on investing in certain securities or type of securities based on the products we offer.

Item 5 – Fees and Compensation

Unless otherwise stated in a client's contract the following methodology is used regarding Pugh Capital's advisory fees.

Unless otherwise requested by a client, fees paid for services provided by Pugh Capital will be billed in advance on a quarterly basis. Clients may choose to deduct the fees directly from their accounts. But in no instance will Pugh Capital deduct the fees from clients' assets without authorization. The client must authorize such a withdrawal directly through its custodian. The fee will be based on the market value of the securities under

management at the end of the previous quarter. The contract may be canceled upon 45 days written notice. Management fees shall not be prorated for each capital contribution and withdrawal made during the applicable calendar quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee based on the initiation or termination date. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Investment fees will be based on a schedule below depending on the product, although a different fee structure may be negotiated on a case by case basis.

The following schedule applies to fixed income assets invested in the Core Fixed Income product and the intermediate-term fixed income products.

<u>Assets Under Management</u>	<u>Annual Fee</u>
\$15 to \$100 Million	0.25%
Over \$100 Million	0.15%

The following schedule applies to fixed income assets invested in the Long Duration Strategy product.

<u>Assets Under Management</u>	<u>Annual Fee</u>
\$15 to \$50 Million	0.27%
Next \$50 Million	0.25%
Over \$100 Million	0.18%

The following schedule applies to fixed income assets invested in the products of Core Plus Fixed Income and Long Credit Strategy.

<u>Assets Under Management</u>	<u>Annual Fee</u>
\$15 to \$50 Million	0.30%
Next \$50 Million	0.25%
Over \$100 Million	0.20%

Pugh Capital also offers short fixed income products. Investment management fees will be based on the schedule below.

<u>Assets Under Management</u>	<u>Annual Fee</u>
Under \$20 Million	0.2500%
Over \$20 Million	0.1875%

For fixed income assets invested in our Mortgage Strategy and other mandates, investment management fees will be based on the schedule below, paid in the same manner as described above.

<u>Assets Under Management</u>	<u>Annual Fee</u>
\$15 to \$75 Million	0.25%
Next \$25 Million	0.20%
Over \$100 Million	0.18%

Pugh Capital's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, and other fees on accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to Pugh Capital's fee, and Pugh Capital shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that Pugh Capital considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation.

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

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

Item 7 – Types of Clients

Pugh Capital provides portfolio management services to high net worth individuals, bank or other financial institutions, public and corporate pension plans, medical and charitable institutions, foundations, endowments, municipalities and trust programs.

Pugh Capital accepts new client accounts that start with at least \$15 million for all product offerings.

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

The fixed income market is comprised of a variety of investors with different goals and risk constraints. Pugh Capital believes these competing interests can create inefficiencies within the market that can be exploited through active management. However, Pugh Capital also recognizes that fixed income securities have asymmetrical risks relative to upside potential and therefore we embrace active risk management.

Pugh Capital's investment approach is designed to provide incremental return relative to the benchmark while minimizing downside risk. Client portfolios are invested in the full spectrum of investment-grade securities, with an emphasis on higher credit quality securities. Portfolio durations are managed within a range of +/- 10% of the client's Index.

Pugh Capital's investment process typically begins with top-down analysis of the economy, the fixed income and equity markets and the political environment to determine investment themes. The firm uses this information to develop a portfolio profile that incorporates targets for each sector of the fixed income market, as well as duration targets. This profile is used to position the firm for market opportunities. From a macro perspective, sector allocation is the most significant variable, while duration and yield curve decisions are more tightly constrained.

Security selection is also very important part of our process. Once the sector targets and maturity buckets have been identified, the firm then uses a bottom-up research approach to identify the most attractive individual issues to populate the identified sectors. The firm uses an industry framework to identify key trends and to identify relative value among issuers. Some key fundamental factors include commitment to bond ratings, debt to market cap, free cash flow and industry dynamics. Our analysts perform fundamental analysis within an industry framework. Each analyst prepares an industry report for each industry he or she covers on an annual basis. Industry reports include issuer analysis and recommendations based on a perspective of identifying core issuers, opportunistic issuers and pans. Analysts conduct their own credit assessments of individual issuers. Their industry and issuers analysis are presented to Pugh Capital's investment committee for approval. The firm maintains a corporate buy/sell list that is updated on a regular basis.

Over a market cycle, Pugh Capital seeks to capitalize on the transitional periods where the market is experiencing either greed or fear. This typically occurs when there are shocks to the system such as a large company bankruptcy, a credit crunch or a severe recession. The

firm will also position portfolios to take advantage of individual security inefficiencies, such as when new issues are brought to market with a concession to their secondary trading levels.

Pugh Capital's team of investment professionals conducts extensive in-house research on the economy, interest rates, sectors and individual securities. The analysts and portfolio managers also use various third party research sources to ensure we remain current on market events, have an understanding of different viewpoints, and to supplement our own analysis. The firm also utilizes research from other sources such as the Federal Reserve, Bloomberg and BondEdge, to provide input into our research process.

Research on the economy and specific sectors of the fixed income markets are conducted by Pugh Capital's portfolio managers and analysts. The process incorporates internally generated reports and graphs on the economy, interest rates and historical spread relationships using a standard deviation methodology to highlight areas that warrant further evaluation.

Macro research focuses on analysis of key economic indicators and interest rates, supply/demand trends, market volatility, credit and mortgage trends, market liquidity and the relationship between sector and yield curve spreads. The result of this analysis is used to determine our desired portfolio profile, which includes duration and yield curve positioning and sector allocation targets.

Some of the outputs of the firm's research efforts include analysts' industry and company research reports, internal buy/sell lists, mortgage relative value reports, the firm's economic outlook, interest rate scenarios, portfolio analytics, new product analysis and portfolio profiles for a given product.

Research results are shared at least weekly at the firm's Investment Committee meeting, or as needed to take advantage of an investment opportunity.

For the analysis of the agency mortgage sector, Pugh Capital incorporates our top down analysis to identify key themes that may influence the mortgage sector. The firm combines this top down view with our relative value screens to identify which mortgage coupons should be over or underweighted. Pugh Capital has developed a report that highlights a number of relative value screens across the mortgage security coupon curve including total return scenario analyses, duration volatility; prepay sensitivity and yield and option-adjusted spread analysis. Once specific coupons have been identified the firm determines

whether there are specified pool strategies that might incrementally provide additional alpha.

The Commercial Mortgage Backed Securities market (CMBS) has experienced extraordinary volatility over the past three years as underlying fundamentals erode. In our view, the single most important factor in this market is origination year. In terms of specific security analysis, we look at historical delinquency performance, geographic and property type concentrations, top 10 loan exposures, percent of loans in special servicing, original and current credit enhancement, ratings changes if applicable, and other valuation indicators. We review a security relative to the averages in each of these areas for a given vintage (origination year) to arrive at investment decisions. We are able to track the universe of CMBS securities using Bloomberg, which provides detailed reporting on each public CMBS deal. In ABS, we hold positions only backed by automobiles or credit card receivables that have an extremely stable credit performance history. Currently we own no home equity backed issues.

Investing in securities involves risk of loss that clients should be prepared to bear. Pugh Capital has implemented a firm-wide risk management system to control risks associated with our portfolios. All portfolio positions, trades, and transaction data are stored in a centralized data system using Advent Axys software. Portfolio data is updated in our BondEdge portfolio analytical system daily. Pugh Capital uses BondEdge for routine checks on portfolio position limits, durations, sector allocations, maturity and quality distributions and other parameters. In addition, BondEdge provides more complex analysis including comparisons with client benchmarks, stress tests, Monte Carlo simulations for scenario analysis, and portfolio performance attribution. Pugh Capital utilizes these tools and analysis to monitor risks as well as to enhance portfolio returns. The firm has developed an internal monitoring system and guidelines around risk management. Pugh Capital also uses Bloomberg to verify data and validate the pricing in both BondEdge and Advent Axys to ensure that the portfolio managers receive reliable information.

To control and monitor credit risks, on an annual basis Pugh Capital's credit analysts present the investment committee with a deep-dive analysis on their covered industries. Each quarter, analysts update their recommendations on their corporate sectors and individual credit names with the new information about companies' operations results and financial conditions. They inform portfolio managers immediately upon any significant event that they view as an increase in credit risk.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Pugh Capital or the integrity of Pugh Capital's management. Pugh Capital has no legal or disciplinary disclosures to report regarding this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Pugh Capital is not engaged in any financial industry activities other than giving investment advice. Pugh Capital is an independent, 100% employee owned firm. It does not have any affiliate relationships. Pugh Capital does not receive compensation for recommending or selecting other investment advisers for its clients.

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

Pugh Capital's code of ethics adopted is pursuant to SEC rule 204A-1. We believe that our most valuable assets include our reputation for integrity and professionalism. The confidence and trust of clients should be valued and protected by every employee at Pugh Capital. Pugh Capital has adopted a code of ethics for all employees of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All employees at Pugh Capital must acknowledge the terms of the Code of Ethics annually, or as amended.

Each employee is responsible for ensuring that he or she does not violate the federal securities laws and the prohibitions and procedures set forth in the above documents.

In general, the Code of Ethics requires every employee to pre-clear his or her personal securities trades with one of the firm's executive officers and to report such trades

quarterly. It also restricts certain access persons from making securities trades during specified blackout periods or when in possession of material nonpublic information about the issuer.

Pugh Capital would be happy to provide a full copy of our Code of Ethics to any client or prospective client upon request.

It is Pugh Capital's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer, which does not apply to Pugh Capital.

Cross Trading - Client Accounts

Pugh Capital may, from time to time, sell (buy) a security for one or more client account(s) and buy (sell) it for other client account(s). These cross trades are conducted to help align portfolio allocations. Pugh Capital will only conduct such transactions if it is transacted at optimum market levels for both the selling client(s) and buying client(s). To ensure this requirement, Pugh Capital will get a minimum of three market levels, just as it normally would for a client transaction. The minimum three market level rule does not have to be applied to the treasuries and agency mortgage securities where accurate bid/ask prices are available via an online trading system.

Whether a bid or offer level is used to determine the mark depends upon the portfolios' requirements. If a sales decision drives the transaction, the best bid level (highest sale price with the tightest bid spread) for a security is found. The security is sold at that level for the selling client(s) and purchased back from the same broker/dealer for the buying client(s) at the sale price plus a nominal commission charge. Similarly, if the transaction is based on a purchase decision, the best offer level (lowest offer price with the widest offer spread) for a security is found. The security is purchased for the buying client(s) at that level and sold to the same broker/dealer for the selling client(s) at the purchase price minus a nominal commission charge. The nominal commission charge is normally 1/32nd of one point or

less, enough for the buying/selling broker to recover ticket charges. In our cross trading transactions, the prices are, at a minimum, the optimum prices we could buy or sell the bonds without cross-trading, and often substantially better because bid/ask spreads are normally wider for many types of securities than the nominal price change.

Item 12 – Brokerage Practices

The decision of which broker to use will be based on two major criteria:

- 1) Whenever possible, Pugh Capital will contact several brokers for pricing securities in order to obtain the best execution for its clients.
- 2) The broker's reputation and the customer service it provides to Pugh Capital may be a factor in the selection of brokers.

Occasionally, clients request that we use their list of brokers. Pugh Capital's ability to achieve best execution may be limited when clients direct it to execute securities transaction through a specific broker-dealer. In a directed brokerage account, the client may pay higher brokerage costs because Pugh Capital may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.

Commission rates paid, if any, will be negotiated by one of Pugh Capital's portfolio managers. Typically, there are no commissions paid on fixed income securities.

Certain smaller financial institutions may request guidance for their approved dealer lists. Pugh Capital provides a list of our approved dealers to them upon request.

Pugh Capital considers its best execution policy of paramount importance in executing trades. It believes that soft dollar relationships can impair a firm's ability to provide best execution on all of its trades. As such, PCM has not entered into any soft dollar arrangements that require business be conducted with a given broker/dealer, and it is PCM's intention not to enter into any such contract in the future.

Pugh Capital does not consider client referrals from a broker-dealer or third party as a factor in selecting or recommending broker-dealers. Pugh Capital does not direct client

transactions to a particular broker-dealer in return for client referrals. Our clients' interest in receiving most favorable execution is the foremost important for Pugh Capital.

Pugh Capital aggregates client orders to obtain the best possible price, normally obtains securities in one order at one price, and allocates trades to client accounts immediately after the aggregated order is executed. Allocations are described on the trade ticket.

Item 13 – Review of Accounts

Pugh Capital employs a top down investment philosophy. The Investment Committee, which includes all our portfolio managers and analysts, meets weekly to review client portfolios, the economy and fixed income markets. We update our economic outlook monthly, which serves as the starting point for our fixed income analysis. Market sectors are ranked on a relative value basis using internally generated reports. Each portfolio's compliance with client policies is evaluated on an ongoing basis by the portfolio manager. The portfolio manager reviews weekly the portfolio holdings and characteristics. Performance versus client benchmarks is calculated and discussed monthly.

On at least a quarterly basis, the company provides each client with a complete written listing of securities and cash position including market value, purchases and sales during the previous period, portfolio performance and a comparison to a market index. The market index is mutually agreed upon by Pugh Capital and the client prior to managing the funds.

Item 14 – Client Referrals and Other Compensation

Pugh Capital does not directly or indirectly compensate any person who is not its supervised person for client referrals. The firm's marketing staff receives incentive compensation for client referrals.

Neither the firm nor its employees have any arrangements to receive cash or some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients.



Item 15 – Custody

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Pugh Capital urges clients to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

Pugh Capital usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Pugh Capital observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Pugh Capital's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Pugh Capital in writing. A contract allowing discretionary trades signed by an authorized individual must be provided before any discretionary trading takes place.

At the time a new client relationship is established, Pugh Capital receives the client's investment guidelines, which identify investment criteria for the account. Pugh Capital's portfolio managers adhere to those guidelines in making all investment decisions.

Portfolio transactions will be conducted by one of the firm's portfolio managers or analysts, and will be based on information discussed in the firm's investment meetings.



Item 17 – Voting Client Securities

Pugh Capital specializes in the management of fixed income portfolios. As such, the firm does not receive shareholder proxies on behalf of our clients. In the unlikely event that a proxy was provided to the firm for a security held on behalf of a client, we would submit the proxy directly to the respective client.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Pugh Capital's financial condition. Pugh Capital has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.



Form ADV Part 2B
Mary Pugh

Item 1 – Cover Page

Mary Pugh
Pugh Capital Management, Inc.
520 Pike Street, Suite 2900
206-322-4985
www.pughcapital.com
January 26, 2012

This Brochure Supplement provides information about Mary Pugh that supplements the Pugh Capital Management, Inc. Brochure. You should have received a copy of that Brochure. Please contact Danielle Christianson, Marketing & Client Service, at 206-322-4985 and/or info@pughcapital.com if you did not receive Pugh Capital's Brochure or if you have any questions about the contents of this supplement.

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



Item 2 – Educational Background and Business Experience

Mary Pugh

Year of Birth: 1959

Post high school education: Yale University - New Haven, CT/BA Economics, 1981

NASAA Series #63 & #24, April 1991

Business background for preceding five years:

Pugh Capital Management, Inc.

President and Chief Investment Officer / Sr. Portfolio Manager,

July 1991 – Current

Item 3 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4 – Other Business Activities

No information is applicable to this Item.

Item 5 – Additional Compensation

No information is applicable to this Item.

Item 6 – Supervision

No information is applicable to this Item.



Form ADV Part 2B
Scott Greiwe

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

Item 2 – Educational Background and Business Experience

Scott Greiwe

Year of Birth: 1958

Post high school education: University of Washington - Seattle, WA/BA Finance, 1981

NASAA Series #63 & #24, April 1991

Business background for preceding five years:

Pugh Capital Management, Inc., Portfolio Manager, July 1991 – Current

Professional designation: CFA, 1999

[Minimum qualifications required for the CFA (Chartered Financial Analyst) designation: must have four years of qualified investment work experience, become a member of CFA Institute, pledge to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program. The CFA Program is organized into three levels, each culminating in a six-hour exam. Completing the Program takes most candidates between two and five years.]

Item 3 - Disciplinary Information

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Item 4 – Other Business Activities

No information is applicable to this Item.

Item 5 – Additional Compensation

No information is applicable to this Item.

Item 6 – Supervision

Mary Pugh, President and Chief Investment Officer / Sr. Portfolio Manager, is responsible for supervising Scott Greiwe's advisory activities on behalf of the firm. She could be reached at the telephone number of 206-322-4985. All the major investment recommendations by Scott Greiwe are to be discussed and reviewed in Pugh Capital's investment committee meetings. He works closely with Mary Pugh in managing various client portfolios in different products and making security buy/sell decisions for his portfolios on a daily basis.



Form ADV Part 2B
Peter Cramer

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

Item 2 – Educational Background and Business Experience

Peter Cramer

Year of Birth: 1979

Post high school education: Claremont McKenna College - Claremont, CA/BA Economics and Psychology, Leadership Sequence, 2003

Business background for proceeding five years:

Pugh Capital Management, Inc., Portfolio Manager, March 2010 - Current

Barclays Global Investors, Portfolio Manager, March 2007 - March 2010

Pacific Investment Management Co, Credit Trading Associate, September 2005 - March 2007

Payden & Rygel, Credit Trading/Portfolio Analyst, July 2003 - September 2005

Professional designation: CFA, 2007

[Minimum qualifications required for the CFA (Chartered Financial Analyst) designation: must have four years of qualified investment work experience, become a member of CFA Institute, pledge to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program. The CFA Program is organized into three levels, each culminating in a six-hour exam. Completing the Program takes most candidates between two and five years.]

Item 3 - Disciplinary Information

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Item 4 – Other Business Activities

No information is applicable to this Item.

Item 5 – Additional Compensation

No information is applicable to this Item.

Item 6 – Supervision

Mary Pugh, President and Chief Investment Officer / Sr. Portfolio Manager, is responsible for supervising Peter Cramer's advisory activities on behalf of the firm. She could be reached at the telephone number of 206-322-4985. All the major investment recommendations by Peter Cramer are to be discussed and reviewed in Pugh Capital's investment committee meetings. He works closely with Mary Pugh in managing all client portfolios in the Core Fixed Income product and making security buy/sell decisions for those portfolios on a daily basis.



Form ADV Part 2B
Nancy McFadden

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



Item 2 – Educational Background and Business Experience

Nancy McFadden

Year of Birth: 1966

Post high school education: Washington State University, Pullman, WA/BA Business, 1993; Seattle University - Seattle, WA, MBA 2001

Business background for preceding five years:

Pugh Capital Management, Inc., Senior Credit Analyst, September 2004 - Current

Professional designation: CFA, 2000

[Minimum qualifications required for the CFA (Chartered Financial Analyst) designation: must have four years of qualified investment work experience, become a member of CFA Institute, pledge to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program. The CFA Program is organized into three levels, each culminating in a six-hour exam. Completing the Program takes most candidates between two and five years.]

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Item 4 – Other Business Activities

No information is applicable to this Item.

Item 5 – Additional Compensation

No information is applicable to this Item.

Item 6 – Supervision

Mary Pugh, President and Chief Investment Officer / Sr. Portfolio Manager, is responsible for supervising Nancy McFadden's advisory activities on behalf of the firm. She could be reached at the telephone number of 206-322-4985. All the major investment recommendations by Nancy McFadden are to be discussed and reviewed in Pugh Capital's investment committee meetings. Prior to trade execution her security buy/sell decisions must be approved by Mary Pugh or another portfolio manager.



Form ADV Part 2B
Steve Orr

Item 1 – Cover Page

Steve Orr

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www.pughcapital.com

January 26, 2012

This Brochure Supplement provides information about Steve Orr that supplements the Pugh Capital Management, Inc. Brochure. You should have received a copy of that Brochure. Please contact Danielle Christianson, Marketing & Client Service, at 206-322-4985 and/or info@pughcapital.com if you did not receive Pugh Capital's Brochure or if you have any questions about the contents of this supplement.

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

Item 2 – Educational Background and Business Experience

Steve Orr

Year of Birth: 1962

Post high school education: University of Washington - Seattle, WA/BA Political Science, 1988; Seattle University - Seattle, WA/MBA 1997

Business background for preceding five years:

Pugh Capital Management, Inc., Credit Analyst, May 2007 – Current

Edge Asset Management (formerly WM Advisors), Investment Analyst - Fixed Income,
October 2001 - January 2007

Professional designation: CFA, 2002

[Minimum qualifications required for the CFA (Chartered Financial Analyst) designation: must have four years of qualified investment work experience, become a member of CFA Institute, pledge to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program. The CFA Program is organized into three levels, each culminating in a six-hour exam. Completing the Program takes most candidates between two and five years.]

Item 3 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4 – Other Business Activities

No information is applicable to this Item.

Item 5 – Additional Compensation

No information is applicable to this Item.

Item 6 – Supervision

Mary Pugh, President and Chief Investment Officer / Sr. Portfolio Manager, is responsible for supervising Steve Orr's advisory activities on behalf of the firm. She could be reached at the telephone number of 206-322-4985. All the major investment recommendations by Steve Orr are to be discussed and reviewed in Pugh Capital's investment committee meetings. Prior to trade execution his security buy/sell decisions must be approved by Mary Pugh or another portfolio manager.



Form ADV Part 2B
Yuyan Lou

Item 1 – Cover Page

Yuyan Lou
Pugh Capital Management, Inc.
520 Pike Street, Suite 2900
206-322-4985
www.pughcapital.com
January 26, 2012

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

Item 2 – Educational Background and Business Experience

Yuyan Lou

Year of Birth: 1972

Post high school education: Shanghai University of Engineering Science - Shanghai, China / BS Electrical Engineering 1995; Willamette University - Salem, OR / MBA 2003

Business background for preceding five years:

Pugh Capital Management, Inc., Fixed Income Analyst, November 2007 - Current

Aon Investment Consulting, Investment Analyst, May 2006 - November 2007

Amsafe Bridport, Accountant, February 2004 - May 2006

Professional designation: CFA, 2006

[Minimum qualifications required for the CFA (Chartered Financial Analyst) designation: must have four years of qualified investment work experience, become a member of CFA Institute, pledge to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program. The CFA Program is organized into three levels, each culminating in a six-hour exam. Completing the Program takes most candidates between two and five years.]

Item 3 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4 – Other Business Activities

No information is applicable to this Item.

Item 5 – Additional Compensation

No information is applicable to this Item.

Item 6 – Supervision

Mary Pugh, President and Chief Investment Officer / Sr. Portfolio Manager, is responsible for supervising Yuyan Lou's advisory activities on behalf of the firm. She could be reached at the telephone number of 206-322-4985. All the major investment recommendations by Yuyan Lou are to be discussed and reviewed in Pugh Capital's investment committee meetings. Prior to trade execution her security buy/sell decisions must be approved by Mary Pugh or another portfolio manager.



Form ADV Part 2B
Christopher Kelley

Item 1 – Cover Page

Christopher Kelley
Pugh Capital Management, Inc.
520 Pike Street, Suite 2900
206-322-4985
www.pughcapital.com
January 26, 2012

This Brochure Supplement provides information about Christopher Kelley that supplements the Pugh Capital Management, Inc. Brochure. You should have received a copy of that Brochure. Please contact Danielle Christianson, Marketing & Client Service, at 206-322-4985 and/or info@pughcapital.com if you did not receive Pugh Capital's Brochure or if you have any questions about the contents of this supplement.

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

Item 2 – Educational Background and Business Experience

Christopher Kelley

Year of Birth: 1984

Post high school education: University of Washington, Seattle, WA/BA Political Science, 2006

NASAA Series 63, July 2006 & NASAA Series 65, March 2010

Business background for preceding five years:

Pugh Capital Management, Inc., Investment Analyst, August 2006 - Current

Item 3 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4 – Other Business Activities

No information is applicable to this Item.

Item 5 – Additional Compensation

No information is applicable to this Item.

Item 6 – Supervision

Mary Pugh, President and Chief Investment Officer / Sr. Portfolio Manager, is responsible for supervising Christopher Kelley's advisory activities on behalf of the firm. She could be reached at the telephone number of 206-322-4985. All the major investment recommendations by Christopher Kelley are to be discussed and reviewed in Pugh Capital's investment committee meetings. Prior to trade execution his security buy/sell decisions must be approved by Mary Pugh or another portfolio manager.