

Mikus Capital Management, Inc.

125 Worth Avenue, Suite 200
Palm Beach, FL 33480
(561) 514-0975

wjmikus@mikuscapitalmanagement.com

www.mikuscapitalmanagement.com

February 11, 2013

This brochure provides information about the qualifications and business practices of Mikus Capital Management, Inc. If you have any questions about the contents of this brochure, please contact us at the telephone number and/or e-mail address above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

Mikus Capital Management, Inc. is a registered investment advisor. Registration of an investment advisor does not imply any level of skill or training. The verbal and written communications of an investment adviser provide you with information you need to determine whether to hire or retain the advisor.

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

Mikus Capital Management, Inc.

Our previous annual updating amendment was dated February 29, 2012.

Our annual updating amendment dated February 11, 2013, contained the following material change:

Item 4: As of December 31, 2012, we manage assets of \$84.8 million on a discretionary basis and \$5.3 million on a non-discretionary basis.

Item 10: We have engaged a solicitor to provide client referrals. We pay this solicitor a portion of the fees we earn for managing each client that was referred.

ITEM 3

TABLE OF CONTENTS

Item 1: Cover Sheet	
Item 2: Material Changes	
Item 3: Table of Contents	
Item 4: Advisory Business	1
Item 5: Fees and Compensation	1
Item 6: Performance-Based Fees and Side-By-Side Management	3
Item 7: Types of Clients.....	3
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.....	3
Item 9: Disciplinary Information	4
Item 10: Other Financial Industry Activities and Affiliations	4
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	4
Item 12: Brokerage Practices	5
Item 13: Review of Accounts	8
Item 14: Client Referrals and Other Compensation.....	8
Item 15: Custody.....	10
Item 16: Investment Discretion.....	10
Item 17: Voting Client Securities.....	10
Item 18: Financial Information	10

ITEM 4: ADVISORY BUSINESS

Who we are

Mikus Capital Management, Inc. (referred to as “we,” “our,” “us,” or “MCM”), has been registered as an investment advisor since June 1995. Our principal officer is William J. Mikus.

Services we offer

Financial Planning Services

We evaluate specific areas and develop a comprehensive diagnosis of your financial situation. These areas include your assets and liabilities, current income, insurance coverage, retirement planning, estate planning, business holdings, committed and discretionary expenses. We discuss these and other relevant factors with you in detail to develop a complete assessment of your current financial needs. We then provide a written diagnosis of your financial situation together with recommendations.

Asset Management Services

We also provide asset management services involving the selection, acquisition and disposition of financial products appropriate to the stated investment objectives of the individual client. The service includes discretionary authority from you to instruct investment product suppliers with respect to purchases and sales but specifically prohibits us from taking possession of your funds at any time.

We are globally diversified asset allocators with an emphasis on low cost, transparency and liquidity. Asset allocations may be tailored to reflect an investor’s personal risk profile. Clients may place limited restrictions on investing in certain securities or types of securities.

Financial Consulting

We are available to consult with clients who desire assistance in evaluation purchases or other issues that significantly affect their financial situation.

Assets under management

As of December 31, 2012, we manage assets of \$84.8 million on a discretionary basis and \$5.3 million on a non-discretionary basis.

ITEM 5: FEES AND COMPENSATION

Financial Planning

Our financial planning fees are as follows:

- a. Personal Financial Diagnosis \$500
- b. Development of Investment Policy \$1,500

Fees are billed when the work is complete. You may terminate financial planning services by providing written notice. We may waive the fee for financial planning services if you become an asset management client.

We have a conflict of interest when providing financial planning advice. When you implement the financial plan through us, we receive the customary fees as disclosed in the following section. You are not required to employ us to implement the financial plan, or to implement the plan, or any portion of it, at all.

Asset Management Services

Advisory Fees & Billing Practices

Fees for asset management services are calculated as a percentage of assets under management. These fees are billed quarterly in advance, based on the assets under management as of the last day of the calendar quarter. Our standard fee schedule is:

<u>Asset Level</u>	<u>Annual Fee</u>
On the first \$500,000	1.50%
On amounts over \$500,000	0.50%

Minimum quarterly fee: \$250

Fees for fixed income accounts are negotiated based on the level of services provided, and are typically lower than what is charged for equity accounts.

Our initial billing includes a pro-rata fee for the balance of the current quarter and a \$300 setup fee. Thereafter, you receive an invoice at the beginning of each quarter.

You may provide authorization for us to deduct our fees directly from your investment account. Important information about the deduction of management fees:

- You must provide authorization for us to pull fees by initialing the appropriate section of our contract.
- You will receive a detailed invoice each quarter which outlines our fees and how they are calculated at the same time we request payment from the custodian.
- You will receive a statement from your custodian which shows your holdings.
- You are responsible for reviewing the accuracy of the fees being billed, as the custodian will not do so.

You may elect to pay by check rather than having payment deducted directly from your account.

If you would like to end our advisory relationship, you may do so by providing 30 days written notice. We will prorate the advisory fees received through the termination date and send you a refund of the prepaid, unearned portion of your fee. We process refund payments within 30 days of the termination

date and will send you a check or refund your investment account. In either case we will provide a final invoice detailing the calculation of the refund.

Other Costs Involved

In addition to our advisory fee shown above, you are responsible for paying fees associated with investing for your account. These fees include:

- management fees for ETFs and mutual funds. These are fees charged by the managers of the ETF or mutual fund and are a portion of the expenses of the ETF or mutual fund.
- brokerage costs and transaction fees for any securities or fixed income trades. These are generally charged by your custodian and/or executing broker.

Additional information about brokerage costs and services is provided in “Item 12: Brokerage Practices.”

Financial Consulting

We bill \$150 per hour for these consultations, which is billed at the end of the session. In addition, we will bill ½ of 1% of the value of the purchase or sale in order to implement any recommendations.

General Fee Information

In certain instances, depending on the client’s needs and the services to be performed by us, a contract may be entered into with a fee different from the fee schedule set forth above. This fee would be based on individual negotiations with the particular client.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not receive performance fees for managing accounts.

ITEM 7: TYPES OF CLIENTS

Our clients are typically individuals.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

The primary investment strategy is defined as "Global Macro" which generates an asset allocation (solution set) that reflects the various opportunities and risks that are available within a global dynamic economic and political environment. Analysis is based on both public and subscription based research, news. Risk is management by diversification, liquidity, valuation discipline and transparency.

Our investment strategy is secular or long-term and does not result in high levels of turn-over. We attempt to identify secular trends such as demographic or mean reversion, allocate assets to reflect the opportunity generated by these trends. A potential risk is that an investor's liquidity needs may not match the time horizon of a secular strategy.

By investing in ETF's, mutual funds and historically liquid publicly traded individual securities most unusual risks are avoided. The significant risk is always "market risk" which can not be avoided.

All investments involve different degrees of risk. You should be aware of your risk tolerance level and financial situations at all times. We cannot guarantee the successful performance of an investment and we are expressly prohibited from guaranteeing accounts against losses arising from market conditions.

ITEM 9: DISCIPLINARY INFORMATION

Registered investment advisors are required to disclose any material facts regarding any legal or disciplinary actions that would be material to your evaluation of the investment advisor and each investment advisor representative providing investment advice to you. We have no information of this type to report.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As a registered investment advisor, we are required to disclose when we or our principal have any other financial industry affiliations. Neither we nor our principal has outside business affiliations.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

We have adopted a set of enforceable guidelines (Code of Ethics), which describes unacceptable conduct by MCM and our associated persons. Summarized, this Code of Ethics prohibits us from:

- placing our interests before yours,
- using non public information gathered when providing services to you for our own gains, or
- engaging in any act, practice or course of business that is, or might be considered, fraudulent, deceptive, manipulative, or in violation of any applicable law, rule or regulation of a governmental agency.

Please contact us if you would like to receive a full copy of this Code of Ethics.

Personal Trading for Associated Persons

We may buy or sell some of same securities for you that we already hold in our personal account. We may also buy for our personal account some of the same securities that you already hold in your account. It is our policy not to permit our associated persons (or their immediate relatives) to trade in a way that takes advantage of price movements caused by your transactions.

We may restrict trading for a particular security for our accounts or those of our associated person if there is a pending trade in that security in a client account. Trades for our accounts (and those of our associated persons) will be placed as part of a block trade with client trades, or individually after client trades have been completed. Additional information about block trades is provided in the Aggregation of Orders

section of “Item 12: Brokerage Practices.” When our trades are placed after our client trades, we may receive a better or worse price than that received by the client.

MCM and its associated persons may purchase or sell specific securities for their own account based on personal investment considerations without regard to whether the purchase or sale of such security is appropriate for clients.

All persons associated with us are required to report all personal securities transactions to us quarterly.

ITEM 12: BROKERAGE PRACTICES

Selection of Brokers

In selecting brokers to execute portfolio transactions, we make a good faith judgment of about which broker would be appropriate. We take into consideration not only the available prices and rates of brokerage commissions, but also other relevant factors that may include (without limitation):

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below
- custodial and other services provided by the broker/dealer that are expected to enhance our general portfolio management capabilities,

When we select the broker/dealer for a transaction, we may cause you to pay a higher commission for effecting a transaction than another broker/dealer would have charged for effecting that transaction. We do this if we determine in good faith that the amount of the commission is reasonable in relation to the value of the brokerage and research services provided by the broker/dealer. The determination is viewed in terms of either the particular transaction or our overall responsibilities to you.

We do not maintain custody of your assets, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see “Item 15: Custody”). Your assets must be maintained in an account at a “qualified custodian,” generally a broker/dealer or bank. We cannot open accounts on your behalf, but we will assist in preparing the necessary paperwork for your signature.

MCM participates in the institutional advisor program (the “Program”) offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA (“TD Ameritrade”). TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from TD Ameritrade through our participation in the Program. Please see Item 14: “Client Referral and Other Compensation” for additional information.

We recommend that our clients use TD Ameritrade as the qualified custodian. We are independently owned and operated and are not affiliated with TD Ameritrade. TD Ameritrade will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use TD Ameritrade as custodian/broker, you will decide whether to do so.

The Custodian and Brokers We Use

We recommend that our clients use Charles Schwab & Co., Inc. (“Schwab”), a registered broker/dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so.

Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below (see “Your Brokerage and Custody Costs”).

Your Brokerage and Custody Costs

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. In addition to commissions, Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “*How We Select Brokers/Custodians*”).

Products and Services Available to Us From Schwab

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage—trading, custody, reporting, and related services—many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Schwab’s support services generally are available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of Schwab’s support services:

Services That Benefit You.

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services That May Not Directly Benefit You.

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

Services That Generally Benefit Only Us.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

Aggregation of Orders

We rarely aggregate trades because our investment methodology is secular in nature and not short term trading oriented. Each client portfolio is reviewed individually and rebalancing and reallocating by selling and/or buying is dependent on the specific investment, risk and tax needs of the client. Since the turn-over rate of assets is so low the additional cost of not aggregating is minimized.

That being said, there may be occasions on which portfolio transactions will be executed as part of concurrent authorizations to purchase or sell the same security for another client or one or more of our associated persons.

We may choose to block (aggregate) trades for your account with those of other client accounts and personal accounts of persons associated with MCM. When we place a block trade, all participants included in the block receive the same price per share on the trade. The price is calculated by averaging the price of all of the shares traded. Due to the averaging of price over all of the participating accounts, aggregated trades could be either advantageous or disadvantageous. Commission costs are not averaged. You will pay the same commission whether your trade is placed as part of a block or on an individual basis. The objective of the aggregated orders will be to allocate the executions in a manner that is deemed equitable to the accounts involved.

Soft Dollars

“Soft dollars” are typically generated when an investment advisor enters into an agreement with an executing broker to receive a portion of the commissions generated by the advisor’s client trades. The soft dollars are allocated to the investment advisor and can then be used to purchase items or services. The investment advisor has a fiduciary duty to its clients to obtain best execution, on an overall basis, for any securities transactions.

We do not use soft dollars as described above. The SEC recently changed the wording of certain questions on the Form ADV and has indirectly changed the definition of soft dollars. Due to the new wording, the receipt of goods and/or services from a third party in connection with providing advice to clients could be seen as “soft dollars.” The additional services we receive from Schwab, as disclosed in the section entitled “Products and Services Available to Us From Schwab “ above, and from TD Ameritrade, as disclosed in Item 14 below, would fall under this description of soft dollars.

ITEM 13: REVIEW OF ACCOUNTS

All accounts are reviewed at least quarterly by William J. Mikus, President. This review is focused on asset allocation and security selection. Secular or significant changes in the investment environment will trigger a more frequent review.

On a quarterly basis clients receive written reports showing performance, asset allocation, and fund flows.

We do not provide regular reviews of financial plans.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

TD Ameritrade

As disclosed in “Item 12: Brokerage Practices,” we participate in TD Ameritrade’s institutional customer program and we may recommend that clients use TD Ameritrade for custody and brokerage services. There is no direct link between our participation in the program and the investment advice it gives to you, although we receive economic benefits through our participation in the program that are typically not

available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount):

- receipt of duplicate client statements and confirmations;
- research related products and tools;
- consulting services;
- access to a trading desk serving investment advisor participants;
- access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts);
- the ability to have advisory fees deducted directly from client accounts;
- access to an electronic communications network for client order entry and account information;
- access to mutual funds with no transaction fees and to certain institutional money managers; and
- discounts on compliance, marketing, research, technology, and practice management products or services provided to MCM by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit MCM but may not benefit its client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help MCM manage and further develop its business enterprise. The benefits received by MCM or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, we endeavor at all times to put the interests of our clients first. Clients should be aware, however, that our receipt of economic benefits in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

Schwab

We receive an economic benefit from broker/dealers in the form of the support products and services they make available to us and other independent investment advisors. These products and services, how they benefit MCM, and the related conflicts of interest are described above (see "Item 12: Brokerage Practices"). The availability to us of any broker/dealer's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

Client Referrals

We have engaged a solicitor to provide client referrals. We pay this solicitor a portion of the fees we earn for managing each client that was referred. If you are referred by a solicitor, this practice will be disclosed in writing and we will comply with the requirements of Rule 206(4)-3, under the Investment Advisers Act of 1940, as amended, and any similar state rule or statute.

ITEM 15: CUSTODY

If you give us authority to deduct our fees directly from your separately managed account, we have custody of those assets. In order to avoid additional regulatory requirements in these cases, we follow the procedures outlined in “Item 5: Fees and Compensation.” You will also receive quarterly statements directly from custodian of the account that details all transactions in the account. They will be sent to the email or postal mailing address you provided to them. You should carefully review those statements promptly when you receive them. We also urge you to compare the custodian’s account statements to the periodic portfolio reports you will receive from us. We do not accept physical custody of client assets.

ITEM 16: INVESTMENT DISCRETION

You may provide discretionary authority for us to manage your assets. Discretionary authority means that you are giving us a limited power of attorney to place trades on your behalf. This limited power of attorney does not allow us to withdraw money from your account, other than advisory fees if you agree to give us that authority.

You grant us discretionary authority by completing the following items:

- Sign a contract with us that provides a limited power of attorney for us to place trades on your behalf. Any limitations to the trading authorization will be added to this agreement.
- Provide us with discretionary authority on the new account forms that are submitted to the broker/dealer acting as custodian for your account(s).

We also offer non-discretionary advisory services. If you elect to engage us to manage assets on a non-discretionary basis, we will contact you before each trade is placed in your account.

Clients may not place restrictions on our discretionary authority.

ITEM 17: VOTING CLIENT SECURITIES

We do not accept the authority to vote proxies on your behalf and we do not provide guidance about how to vote proxies. You will receive proxies and other related paperwork directly from your custodian.

ITEM 18: FINANCIAL INFORMATION

We do not charge or solicit pre-payment of more than \$1,200 in fees per client six months or more in advance. We have never filed for bankruptcy and are not aware of any financial conditions that are reasonably likely to impair our ability to meet our contractual obligations to clients.

BROCHURE SUPPLEMENT
ITEM 1: COVER SHEET

William J. Mikus

Mikus Capital Management, Inc.
125 Worth Avenue, Suite 200
Palm Beach, FL 33480
(561) 514-0975

February 11, 2013

This Brochure Supplement provides information about William J. Mikus that supplements the Mikus Capital Management, Inc. Brochure. You should have received a copy of that Brochure. Please contact William J. Mikus, President at (561) 514-0975 or wjmikus@mikuscapitalmanagement.com if you did not receive Mikus Capital Management, Inc.'s Brochure or if you have any questions about the content of this supplement.

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

ITEM 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

William J. Mikus was born in 1957. He received a BA in Economics from Syracuse University in 1979.

Employment Background

Employment Dates: 02/1995 – Present
Firm Name: Mikus Capital Management, Inc.
Type of Business: Investment Advisor
Job Title & Duties: President

ITEM 3: DISCIPLINARY INFORMATION

Registered investment advisors are required to disclose any material facts regarding any legal or disciplinary actions that would be material to your evaluation of each investment advisor representative providing investment advice to you. There is no information of this type to report.

ITEM 4: OTHER BUSINESS ACTIVITIES

Mr. Mikus is not involved in any other business activities.

ITEM 5: ADDITIONAL COMPENSATION

Mr. Mikus does not receive any economic benefit from any non-client for providing advisory services.

ITEM 6: SUPERVISION

Mr. Mikus, President, is the owner and sole person providing investment advice on our behalf. His telephone number is (561) 514-0975.