

Part 2A of Form ADV: Emerald Research Corporation

Item 1 – Cover Page

Emerald Research Corporation

16 Rimwood Lane

Colts Neck, NJ 07722

732-842-3465

02/29/2012

This brochure provides information about the qualifications and business practices of Emerald Research Corporation and its President, Peter J. Lencki. If you have any questions about the contents of this brochure, please contact Peter J. Lencki at 732-842-3465.

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. Emerald Research Corporation 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 with which you determine to hire or retain an adviser.

Additional information about Emerald Research Corporation is also available on the SEC's website at www.adviserinfo.sec.gov

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Item 2 – Material Changes

On July 28, 2010, the United States Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated 02/29/2012 is a new document (former document dated 03/07/11) prepared according to the SEC’s new requirements and rules.

Specific material changes that were made to the brochure are:

1. Item 4 Assets under management: Revised to \$2,471,728.33 as of 02/29/2012
2. Item 19 Other business activities: Removed subheading “Other Business Activities” since Mr. Lencki is no longer employed at Federal Express Corporation

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 material changes to this and subsequent brochures within 120 days of the close of the 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, this brochure may be requested by contacting Peter J. Lencki, President, Emerald Research Corporation at 732-842-3465, free of charge.

Additional information about Emerald Research Corporation is also available via the SEC’s web site www.adviserinfo.sec.gov . The SEC’s web site also provides information about any persons affiliated with Emerald Research Corporation who are registered, or are required to be registered, as investment adviser representatives of Emerald Research Corporation. We will further provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

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Two supplements are shown below. The “Wrap Brochure” supplement is not applicable to ERC. The “Supplement” is required and include in this brochure.

- **Part 2A, Appendix 1: The “Wrap Brochure”** – Emerald Research Corp. does not sponsor a wrap fee program. Therefore, **Part 2A, Appendix 1** is not applicable to Emerald Research Corp.

- **Part 2B: The “Supplement”** – ERC has a “supervised person”. A “Supplement” with information about the “supervised person” is included on page 4 of this Brochure

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Item 4 – Advisory Business

Emerald Research Corporation (the “ERC”) provides investment advisory services to NorthQuest Capital Fund, Inc. (the “Fund”). The Fund is a mutual fund which is an investment company registered under the 1940 Act. The Fund is the only client of ERC. ERC provides a copy of ADV Part 2 to the Fund and a copy will be provided to any prospective client upon request. ERC does not offer investment advisory services to individuals. Assets under management as of 02/29/2012: \$2,471,728.33

A. Services Provided:

ERC offers continuous review of the Fund's investment portfolio. ERC recommends to the Fund when and to what extent which securities the Fund should purchase or sell according to the Fund's investment methodologies and objectives. ERC acts as the Fund's transfer agent by recording all share purchases and redemptions on the Fund's premises. All shareholder holdings are recorded in book form. ERC will also reimburse the Fund for any and all losses incurred when a shareholder or prospective shareholder fails to make payment for purchase or Fund shares.

Item 5 – Fees and Compensation

Under an Investment Advisory Contract with the Fund, ERC receives from the Fund monthly a fee equal to one-twelfth of 1.00 percent per month (the equivalent of 1% per annum) of the daily average net assets of the Fund during the month. The agreement will be for a term of one year and thereafter, only so long as such continuance is approved at least annually by votes of the Fund's Board of Directors cast in person at a meeting called for the purpose of voting on such approval, including votes of a majority of the Directors who are not parties to such agreement or interested persons of such party. This agreement may be terminated at any time upon 60 days prior written notice, without payment of any penalty, by the Fund's Board of Directors or by vote of a majority of outstanding voting securities of the Fund. The contract will automatically terminate in the event of assignment by the Investment Adviser (within the meaning of the Investment Company Act of 1940), which shall be deemed to include transfer of control of the Investment Adviser.

ERC's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the Fund. Fund shareholders may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as custodial fees, deferred sales charges, wire transfer and other fees and taxes. Such charges, fees and commissions are exclusive of and in addition to ERC's fee, and ERC shall not receive any portion of these commissions, fees, and costs.

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

Emerald Research Corporation does not charge 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

Emerald Research Corporation (the “ERC”) provides investment advisory services to the NorthQuest Capital Fund. NorthQuest Capital Fund is the only client of ERC. ERC does not offer investment advisory services to individuals.

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

Emerald Research Corporation's investment approach is to seek long-term capital appreciation and to secondarily earn dividend income. ERC utilizes fundamental analysis to select investments which means that we research and study the financial data of each investment. Information is gathered from many sources such as newspapers, magazines, company reports, subscription to financial publications, and other data available from the internet. ERC's investment research includes searching for small, large- and mid-capitalization companies whose stock prices are considered undervalued. Undervalued stocks are generally those with a low share price when measured against the value of the whole company. This methodology examines and evaluates a company's share price, its financial condition, management's use of capital, and other local and international influences that could affect a company's performance. A secondary goal is to earn dividend income from common stocks. ERC will search to invest in companies that have adequate free cash flow to pay a dividend and consistently increase their dividends on an annual basis. ERC may recommend that the Fund's portfolio move to a defensive position by holding more cash during periods of economic turmoil.

The principle risks of investing in stocks and mutual funds are:

Market Risk: This is risk that your investment in stocks will fluctuate with the stock markets and prices may sharply fall or rise over the short-term or long-term periods. You may lose money by investing in stocks.

Multi-cap Risk: Investing in small and medium capitalization ("cap") stocks generally have a higher risk of business failure, lesser liquidity and greater volatility in market price. As a consequence, small and medium cap stocks have a greater possibility of price decline or loss as compared to large cap stocks. This may cause ERC not to meet its investment objective.

Dividend Income Risk: There is no assurance that dividend income will be earned from the Fund's investments.

Focused Portfolio Risk: Investing in a small number of companies has a risk that a single common stock may have a significant event; negative or positive; on your investment.

Risk of investing in a Managed Fund: The Fund may under perform other investments or indices as a result of investment selections recommended by ERC.

Large Cash Positions: The Fund may hold a higher amount of cash during challenging economic times (such as a banking or financial crisis) which may prevent the Fund from achieving its long-term capital appreciation.

An investment in a mutual fund is not insured or guaranteed by the Federal Deposit Insurance Company (the "FDIC") or any other government agency.

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Item 9 – Disciplinary Information

During a routine examination in May, 2003, the Securities and Exchange Commission (the “SEC”) staff questioned the procedure in which shareholders were transferred into the NorthQuest Capital Fund from an affiliated limited partnership (the “LP”) managed by ERC. The SEC believed that the limited partners of the LP should have been accepted into the Fund on the same day as opposed to different days. The Fund and ERC cooperated with the SEC and undertook a procedure to recalculate the shares to the affected shareholders. The affected shareholders were issued 1,582 additional shares of the Fund and ERC reimbursed the Fund \$543 for losses sustained due to redemptions. The administrative proceeding ended in November, 2006.

Item 10 – Other Financial Industry Activities and Affiliations

Peter J. Lencki is President, Compliance Officer and owner of ERC. Mr. Lencki also serves as the President, Chairman, Treasurer, Portfolio Manager and Compliance Officer of the NorthQuest Capital Fund. Mary E. Lencki acts as the Fund’s Secretary and is an employee of ERC. Mary and Peter Lencki have a “family relationship”.

ERC is the Investment Adviser to and transfer agent for the NorthQuest Capital Fund, a mutual fund from which the Adviser receives a monthly management fee equal to 1% (annualized) of the average daily net assets of the mutual fund.

Item 11 – Code of Ethics

Emerald Research Corporation’s Code of Ethics sets forth standards of conduct and requires compliance with securities laws. Its policies and procedures include a Chief Compliance Officer overseeing personal investment activities of ERC personnel and the confidential treatment of Fund’s investment non-public information. ERC will provide a copy of its code of ethics to any *client* or prospective *client* upon request.

Item 12 – Brokerage Practices

ERC does not select broker-dealer firms for its client. This selection is at the discretion of the NorthQuest Capital Fund’s Board of Directors. Currently the Fund utilizes Charles Schwab and Company (the “Schwab”) for custody and trading of most of its assets. There is no direct financial relationship between ERC and Schwab.

Item 13 – Review of Accounts

The NorthQuest Capital Fund is the only client of Emerald Research Corporation. ERC does not offer investment advisory services to individuals. The Fund sends quarterly statements to its shareholders.

Item 14 – Client Referrals and Other Compensation

Emerald Research Corporation does not pay for referrals and does not receive any monetary compensation from any source other than from the NorthQuest Capital Fund.

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Item 15 – Custody

Emerald Research Corporation does not have custody of client funds or securities.

Item 16 – Investment Discretion

Peter J. Lencki is President of ERC and Portfolio Manager of the NorthQuest Capital Fund. Mr. Lencki has discretionary authority from the Fund's Board of Directors 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 and methodology according to the Fund's prospectus. When selecting securities and determining amounts, Peter J. Lencki observes the investment policies, limitations and restrictions of the Fund for which it recommends securities.

Item 17 – Voting Client Securities

Emerald Research Corporation does not have any authority to and does not vote proxies on behalf of its advisory client, NorthQuest Capital Fund. The NorthQuest Capital Fund retains the responsibility for receiving and voting proxies for any and all securities maintained in its investment portfolio.

Item 18 – Financial Information

Emerald Research Corporation 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.

Item 19 – Requirements for State-Registered Advisers

Emerald Research Corporation is registered in the state of New Jersey.

Education and Business Background:

Peter J. Lencki Birth Year: 1954

Education: Bachelor of Arts degree in Political Science from Seton Hall University in New Jersey.

Business Background: Peter J. Lencki is President and founder of Emerald Research Corporation. ERC was established in 1996. Mr. Lencki has been the portfolio manager of the NorthQuest Capital Fund since 2002. Previous to managing the Fund's investments, Mr. Lencki acted as the portfolio manager over five years in running a private investment partnership, NorthPoint Capital, LLP. Peter J. Lencki was also an owner and officer of Emerald Auto Parts and Supply, Inc. for over twenty-five years (1978-2005).

Additional Compensation: Mr. Lencki does not receive additional compensation from any person who is not a client except as noted above.

Supervision: The Board of Directors of the NorthQuest Capital Fund monitor and review quarterly the investment advice provided by Mr. Lencki to the Fund (Lead Director: Robert S. Keesser, 732-842-3465).