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**FORM ADV PART 2A.
BROCHURE**

This brochure provides information about the qualifications and business practices of Kohlhepp Investment Advisors, Ltd. If you have any questions about the contents of this brochure, please contact us at 215-340-5777. 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.

Additional information about Kohlhepp Investment Advisors, Ltd. is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Kohlhepp Investment Advisors, Ltd. is 113989.

Kohlhepp Investment Advisors, Ltd. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

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Advisory Business

Form ADV Part 2A, Item 4

Kohlhepp Investment Advisors, Ltd.'s registration was granted by the U.S. Securities and Exchange Commission on September 24, 2001. Edward John Kohlhepp, Sr. (CRD Number 273292) is President and Chief Compliance Officer of the firm and owns eighty (80%) percent of the equity of the firm.

Edward Kohlhepp, Jr. CRD Number 2814743, owns twenty (20%) percent of the equity of the firm.

The firm is not publicly owned or traded. There are no indirect owners of the firm or intermediaries who have any ownership interest in the firm. The firm manages each client's portfolio on an individualized basis. Clients may impose restrictions on their accounts. The firm does not sponsor any wrap fee programs. As of December 31, 2014, the firm managed assets on a discretionary basis in the amount of \$114,143,377 which represented 778 accounts and on a nondiscretionary basis in the amount of \$34,758,289 which represented 462 accounts. Firm provides comprehensive financial planning services to its clients. Firm has third party asset management arrangements with Russell Investment Management Company, Morningstar, AssetMark, and Blue Bell Private Wealth Management. These programs carry the fee structures disclosed below at item 5 and are payable by the client on a quarterly basis.

Firm also has a third party asset management arrangements with Manning & Napier Advisors, LLC, Clark Capital Management Group, Red Sky Capital Management, WBI Investments, Inc., Curian Capital LLC, and Cambridge Investment Research, Inc. according to the fee schedules also disclosed below at item 5 which are also payable by the client on a quarterly basis.

Cambridge Asset Allocation Platform ("CAAP")

CAAP is a wrap fee platform sponsored by Cambridge Investment Research Advisors. ("CIRA"), an SEC-registered Investment Advisor, that may be recommended to clients by the Adviser/IAR, and that offers the Adviser/IAR an ability to select one or more CAAP strategies (described in Schedule H wrap fee brochure to be given to participating clients) using risk tolerance information provided by the client. The Adviser/IAR will recommend a portfolio based on one of several asset allocation models designed to meet the individual financial needs, investment objectives and risk tolerance of the client. Portfolios are comprised of load-waived mutual funds, no-load mutual funds or exchange-traded mutual funds (ETFs), and accounts are discretionary. Portfolios are selected through comprehensive due diligence by Consultants who are Registered Investment Advisers selected but not affiliated with CIRA, who use a screening process that looks at various investment criteria.

There is either a simple consultation approach offered to the client wherein simple financial planning advice is given to the client either in written or verbal form, or the "Financial Analysis" is offered to the client.

Financial Analysis. Firm provides investment advice based on an analysis of individual client's financial data. Recommendations on the sale and purchase of investments are made on an individual basis. Once investment recommendations are made, clients may contract for periodic updates. For the "Financial Analysis" approach, Firm is compensated by this advisory client on the basis of a contractual fee. The contract is subject to termination at any time by the client. Any credit balance is refundable on a pro-rata basis.

In its work with outside custodial services such as Charles Schwab, Pershing and Trust Company of America, Firm shall recommend mutual funds, ETFs, CDs, Bonds and other securities which are to be selected and used. This service is not investment supervisory in nature as it is not continuous but shall only be in the nature of a periodic analysis and review.

A fee, disclosed below at item 5, will be collected monthly or quarterly in arrears or in advance.

Firm and its principals use the services of Russell Investment Management Co., Morningstar, Cambridge Investment Research, Inc., AssetMark, Blue Bell Private Wealth Management, Clark Capital Management Group, Red Sky Capital Management, WBI Investments, Inc. LLC, and the Manning & Napier Advisors, LLC for mutual fund and investment allocation advisory services. Firm receives compensation from each of these organizations pursuant to a pre-established fee schedule. Firm also works through Charles Schwab, Pershing LLC, Community National Bank, Sterling Trust Co., First Trust Retirement, AssetMark Trust Company, Trust Company of America and Exeter Trust as custodians. Firm is not an affiliate of these other entities.

Some Kohlhepp Investment Advisors' affiliated persons who are also registered representatives are eligible to participate in the Cambridge Investment Group, Inc. private stock purchase program.

Cambridge Investment Group, Inc. is 100% owner of CIRA and its affiliated broker/dealer CIR.

Those from Kohlhepp Investment Advisors who participate in this program do not act as officers of Cambridge. However, they would have a percentage of ownership and have the ability to participate in Cambridge's overall profits. Kohlhepp Investment Advisors' affiliated persons who are also registered representatives are eligible to participate in the stock purchase program due to their affiliation as Registered Representatives of Cambridge. This arrangement between certain Kohlhepp Investment Advisor's affiliated persons who are also registered representatives and Cambridge is a

potential conflict of interest between Kohlhepp Investment Advisors and its clients in that it may inhibit Kohlhepp Investment Advisors' independent judgment concerning the best execution services offered by Cambridge and its clearing broker-dealers.

Fees and Compensation

Form ADV Part 2A, Item 5

In some of these programs, the fee is paid by the client directly to the third party manager and such manager pays Firm its share. In other programs, the client pays Firm directly. Payments may or may not be made through Cambridge.

Certain fees are negotiable and subject to discounts on an account-by-account basis. A trading and processing fee or annual maintenance fee will also be assessed to CAAP accounts, which are detailed in the CAAP Schedule H wrap fee brochure. Depending upon the CAAP platform utilized, client may be charged a tiered fee or a flat fee not to exceed 1.90%. The fee is a maximum combined fee charged to the client and shared by the Adviser and IAR.

Clients should thoroughly review the CAAP Schedule H prior to investing.

Financial Analysis. The fee is negotiable and varies from client to client, but does not exceed \$400.00 per hour. A retainer of up to \$1000.00 may be required before work will commence for the "Financial Analysis".

On some occasions a fee based on percentage of assets comprising the financial plan will be charged. This fee will not exceed two and one-half (2.5%) percent of such assets. Assets will be considered to

be the current market value of the assets on the date the contract is entered into and each respective anniversary. The minimum annual fee is \$1000.00. The advisory fee is payable upon entering into contract and includes such direct costs as consultation, data gathering, record keeping, analysis, set up, etc. No fee shall be payable more than six (6) months in advance.

With regard to the non-securities activity, this will involve advice about retirement, insurance, tax, retirement income planning and financial planning to individuals, partnerships and corporations on a fee basis up to \$400.00 per hour.

The advisory fee is payable upon entering into contract and includes such direct costs as consultation, data gathering, record keeping, analysis, set up, etc. The contract is subject to termination at any time by the client. The credit balance is refundable on a pro-rata basis.

Outside Custodial.

<u>\$ Amount</u>	<u>Annual Fee</u>
First \$250,000	1.50%
\$250,001 - \$500,000	1.25%
\$500,001 - \$1,000,000	1.00%
\$1,000,001 - \$3,000,000	0.90%
\$3,000,001 - \$5,000,000	0.80%
\$5,000,001 +	Negotiable

These fees are the maximum advisor fees for mutual fund accounts. Separate account managers, strategist and money managers shall impose additional fees. Additional program, platform and custodial fees may also be imposed.

Clients are always advised that when investing in mutual funds, he/she will be paying two fees; that is, an advisory fee to Kohlhepp Investment Advisors, Ltd. and an advisory fee to the investment advisor of the mutual fund.

Despite the foregoing, all fees are negotiable. Clients shall enjoy a five day penalty free right of rescission.

In lieu of, or in addition to, a retainer fee may be charged to the client with a minimum retainer of \$5,000.

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

None.

Types of Clients

Form ADV Part 2A, Item 7

Individuals.

Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

Methods of securities analysis shall be fundamental and technical analysis.

Investment strategies shall be long term purchases, short term purchases and trading.

Disciplinary Information

Form ADV Part 2A, Item 9

None.

Other Financial Industry Activities and Affiliations

Form ADV Part 2A, Item 10

Edward J. Kohlhepp, Sr. is a registered principal (Series 24) with Cambridge Investment Research, Inc. It is possible that as a result of this arrangement, the client may pay higher or lower commissions on the execution of a trade. All clients are always advised that they shall have total freedom to effect all securities transactions with any broker/dealer of their choice. Firm is not an affiliate of Cambridge.

Mr. Kohlhepp, through his affiliation with Cambridge Investment Research, Inc. participates in the Equity Participation Plan ("EPP), which may influence his decision to be personally affiliated with Cambridge. The EPP program is a stock appreciation rights program. Once a participant's EPP's units are vested and the years of service requirement is met, the participant has a right to the appreciation in value of the same number of shares of Cambridge Investment Group Stock as he/she holds in vested EPP's Units. Mr. Kohlhepp has entered into the EPP program but is not an owner or officer of

Cambridge. He is eligible to participate due to his affiliation as a registered representative of Cambridge. This arrangement is a potential conflict of interest between Kohlhepp Investment Advisors, Ltd., and its clients.

Principal executive officers also advise clients on purchase of insurance. Associated persons of Firm also engage in tax planning and the provision of tax advice for clients. Five (5%) percent of our time is spent on this.

Edward J. Kohlhepp, Senior and Edward J. Kohlhepp, Junior accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. 1. This practice presents a conflict of interest and gives us an incentive to recommend investment products based on the compensation received, rather than on a client's needs. However, the firm will recommend no-load mutual funds and ETFs in most circumstances 2. Clients have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with us. 3. The firm charges advisory fees and the above individuals may receive commission income as a result of product sales. Advisory fees are not offset by commission income.

Firm and its principals use the services of Russell Investment Management Co., Morningstar, Cambridge Investment Research, Inc., AssetMark, Blue Bell Private Wealth Management, Clark Capital Management Group, Red Sky Capital Management, WBI Investments, Inc., Curian Capital LLC, and the Manning & Napier Advisors, LLC for mutual fund and investment allocation advisory services. Firm receives compensation from each of these organizations pursuant to a pre-established fee schedule. Firm also works through Charles Schwab, Pershing LLC, Community National Bank, Sterling

Trust Co., AssetMark Trust Company, First Trust Retirement, Trust Company of America, and Exeter Trust as custodians. Firm is not an affiliate of these other entities.

Associated persons of Firm are involved in various insurance industry activities. Firm is not an affiliate of any insurance company or insurance agency.

Employees of Firm as registered representatives may sell securities such as mutual funds, variable annuities, limited partnerships, REITs, BDCs, stocks, bonds and tax-free bonds through broker/dealers for commissions. All sales to clients will meet suitability requirements of the client and client will be advised that commissions from the sale of investments and insurance will be paid to Firm or its employees.

With respect to the AssetMark Program, Firm is entitled to receive a quarterly reimbursement from AssetMark, for qualified marketing and/or business development expenses incurred by Firm. The amount of such reimbursement is based on the total assets invested at the end of each calendar quarter in the AssetMark Program, as follows:

Asset Level	Quarterly Reimbursement
\$ 25 mm	\$1,250
\$ 35 mm	\$1,750
\$ 50 mm	\$2,500
\$ 75 mm	\$3,750
\$ 100 mm	\$6,250
\$ 125 mm	\$8,750
\$ 150 mm	\$11,250
\$ 175 mm	\$13,750
\$ 200 mm	\$16,250
\$ 225 mm	\$18,750
\$ 250 mm	\$21,250
\$ 275 mm	\$23,750
\$ 300 mm	\$26,250

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

Form ADV Part 2A, Item 11

The firm has adopted a written Code of Ethics in compliance with SEC Rule 204A-1. The code sets forth standards of conduct and requires compliance with federal securities laws. Our code also addresses personal trading and requires our employees to report their personal securities holdings and transactions to the Chief Compliance Officer of the firm. A copy of our Code of Ethics is provided to any client or prospective client upon request.

Equity and principal officers may purchase securities, mutual funds, ETFs, variable annuities, limited partnerships, REITs and BDCs that it recommends to clients. All clients of Firm are informed that the investment adviser and its employees may from time to time hold a position either directly or indirectly in securities and/or mutual funds that are recommended. No person associated with the registrant may trade in a recommended security to his or her advantage over a client.

Brokerage Practices

Form ADV Part 2A, Item 12

Edward J. Kohlhepp, Sr. is a registered principal (Series 24) with Cambridge Investment Research, Inc. It is possible that as a result of this arrangement, the client may pay higher or lower commissions on the execution of a trade. All clients are always advised that they shall have total freedom to effect all securities transactions with any broker/dealer of their choice. Firm is not an affiliate of Cambridge.

Associated persons are associated with Cambridge Investment Research, Inc. and will receive commissions from their representative broker/dealers upon sale of investment products for which

commissions are payable and can also receive commissions from insurance companies upon the sale of life or health insurance. In connection with Firm's consulting services, Firm receives compensation. See Item 1.A., this schedule.

Clients wishing to implement the advice of the Firm's associated persons are free to select any broker they wish and are so informed. If clients wish to have the associated persons implement the advice in their capacities as registered representatives, their broker/dealer, Cambridge Investment Research, Inc. (CIR), will be used. CIR has a wide range of approved securities products for which CIR performs due diligence when selecting. CIR's registered representatives are required to adhere to these products when implementing securities transactions. The commissions earned for these products may be higher or lower than commissions earned through another broker/dealer.

In addition, some of the Firm's associated persons have entered into an Equity Participation Plan with Cambridge Investment Research, Inc. (CIR). Under this arrangement, the Firm's associated persons have the ability to earn a percentage of CIR's overall profit ratio. The Firm's associated persons are not owners or officers of CIR. However, the Firm's associated persons are eligible to participate in the Equity Participation Plan due to their affiliation as registered representatives of CIR. This arrangement between the Firm's associated persons and CIR is a potential conflict of interest between the Firm and its clients in that it may inhibit the Firm's independent judgment concerning the best execution services offered by CIR.

While the Firm has an arrangement with CIR, and the clearing broker/dealers that have contracted with CIR, at least annually, the Firm will review alternative broker/dealers and custodians in the marketplace to ensure CIR and its custodians are meeting the Firm's duty to provide best execution for client accounts. The review will include a comparison to CIR and the currently used custodians which involve

evaluating criteria such as overall expertise, cost competitiveness and financial condition. The quality of execution by CIR and custodians will be reviewed through trade journal evaluations. However, best execution does not simply mean the lowest transaction cost. Therefore, no single criteria will validate nor invalidate a custodian, but rather, all criteria taken together will be used in evaluating the currently utilized custodian. The recommendation of CIR is not influenced by any soft dollar services or benefits provided to the advisor.

Review of Accounts

Form ADV Part 2A, Item 13

Reviewers include Edward J Kohlhepp, Sr., President and Edward J Kohlhepp, Jr., Vice President. Reviews are conducted at least annually with most review occurring on a quarterly basis. Some accounts are reviewed more frequently based upon several factors including but not limited to, a client's request, changes in a client's financial status and/or investment objective, or if a specific market or product event warrants it.

Client Referrals and Other Compensation

Form ADV Part 2A, Item 14

The services of paid solicitors may be utilized by Firm. Full compliance with the paid solicitation rules is maintained.

Principal executive officers also advise clients on purchase of insurance. Associated persons of Firm also engage in tax planning and provide tax advice for clients. Five (5%) percent of our time is spent on this.

Custody

Form ADV Part 2A, Item 15

None.

Investment Discretion

Form ADV Part 2A, Item 16

Kohlhepp Investment Advisors, Ltd. will have, in its discretion, the power and authority to supervise and direct the account investments including the authority to buy, sell, exchange, convert or otherwise trade in any security. All transactions entered on behalf of the client shall be consistent with the client's stated financial condition and investment objectives.

Voting Client Securities

Form ADV Part 2A, Item 17

Firm shall not vote proxy statements on behalf of advisory clients.

Financial Information

Form ADV Part 2A, Item 18

Firm does not receive fees more than three months in advance.

Requirements for State-Registered Advisers

Form ADV Part 2A, Item 19

Not applicable.
