

Halbert A. Abshier, Jr.

Form ADV: Part II

Uniform Application for Investment Advisor Registration

OMB APPROVAL	
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**Form ADV
Part II - Page 1**

Uniform Application for Investment Adviser Registration

Name of Investment Adviser:

Halbert A. Abshier, Jr.

Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone number:
2500 City West Blvd., Suite 590	Houston	Texas	77042	713-231-1400

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any governmental authority.**

Table of Contents

<u>Item Number</u>	<u>Item</u>	<u>Page</u>
1	Advisory Services and Fees	2
2	Types of Clients	2
3	Types of Investments	3
4	Methods of Analysis, Sources of Information and Investment Strategies	3
5	Education and Business Standards	4
6	Education and Business Background	4
7	Other Business Activities	4
8	Other Financial Industry Activities or Affiliations	4
9	Participation or Interest in Client Transactions	5
10	Conditions for Managing Accounts	5
11	Review of Accounts	5
12	Investment or Brokerage Discretion	6
13	Additional Compensation	6
14	Balance Sheet	6
	Continuation Sheet	Schedule F
	Balance Sheet, if required	Schedule G

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Applicant:
Halbert A. Abshier, Jr.

SEC File Number:
801-N/A

Date:
11/14/2007

1. A. Advisory Services and Fees. (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service.
(See instructions below.)

Applicant:

<input checked="" type="checkbox"/>	(1) Provides investment supervisory services	100 %
<input type="checkbox"/>	(2) Manages investment advisory accounts not involving investment supervisory services	%
<input type="checkbox"/>	(3) Furnishes investment advice through consultations not included in either service described above	%
<input type="checkbox"/>	(4) Issues periodicals about securities by subscription	%
<input type="checkbox"/>	(5) Issues special reports about securities not included in any service described above	%
<input type="checkbox"/>	(6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities	%
<input type="checkbox"/>	(7) On more than an occasional basis, furnishes advice to clients on matters not involving securities	%
<input type="checkbox"/>	(8) Provides a timing service	%
<input type="checkbox"/>	(9) Furnishes advice about securities in any manner not described above	%

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term? Yes ☐ No ☒

C. Applicant offers investment advisory services for: (check all that apply)

<input checked="" type="checkbox"/> (1) A percentage of assets under management	<input type="checkbox"/> (4) Subscription fees
<input type="checkbox"/> (2) Hourly charges	<input type="checkbox"/> (5) Commissions
<input type="checkbox"/> (3) Fixed Fees (not including subscription fees)	<input type="checkbox"/> (6) Other

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of clients - Applicant generally provides investment advice to: (check those that apply)

<input checked="" type="checkbox"/> A. Individuals	<input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations
<input type="checkbox"/> B. Banks or thrift institutions	<input type="checkbox"/> F. Corporations or business entities other than those listed above
<input type="checkbox"/> C. Investment companies	<input type="checkbox"/> G. Other (describe on Schedule F)
<input checked="" type="checkbox"/> D. Pension and profit sharing plans	

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

Applicant:
Halbert A. Abshier, Jr.

SEC File Number:
801-N/A

Date:
11/14/2007

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | <input type="checkbox"/> I. Options contracts on: |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> (1) securities |
| <input checked="" type="checkbox"/> (3) foreign issuers | <input type="checkbox"/> (2) commodities |
| <input type="checkbox"/> B. Warrants | <input type="checkbox"/> J. Futures contracts on: |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| <input type="checkbox"/> D. Commercial paper | <input type="checkbox"/> (2) intangibles |
| <input type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input type="checkbox"/> F. Municipal securities | <input type="checkbox"/> (1) real estate |
| <input type="checkbox"/> G. Investment company securities: | <input type="checkbox"/> (2) oil and gas interests |
| <input type="checkbox"/> (1) variable life insurance | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input type="checkbox"/> (2) variable annuities | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|---|
| (1) <input type="checkbox"/> Charting | (4) <input checked="" type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (3) <input type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input checked="" type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Long term purchases (securities held at least a year) | (5) <input type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases (securities sold within a year) | (6) <input type="checkbox"/> Option writing, including covered options, uncovered options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days) | (7) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

Applicant: Halbert A. Abshier, Jr.	SEC File Number: 801-N/A	Date: 11/14/2007
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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? Yes ☐ No ☒

(If yes, describe these standards on Schedule F.)

6. Education and Business Background

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- formal education after high school
- year of birth
- business background for the preceding five years

7. Other Business Activities. (check those that apply)

- ☒ A. Applicant is actively engaged in a business other than giving investment advice.
- ☐ B. Applicant sells products or services other than investment advice to clients.
- ☒ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input checked="" type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input type="checkbox"/> (3) other investment adviser | <input type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading advisor or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked in box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? Yes ☐ No ☒

(If yes, describe on Schedule F the partnerships and what they invest in.)

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

Applicant:
Halbert A. Abshier, Jr.

SEC File Number:
801-N/A

Date:
11/14/2007

9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☒ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

(Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.)

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account? ☒ Yes ☐ No

(If yes, describe on Schedule F)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

See Attached Schedule F

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

See Attached Schedule F

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

Applicant:
Halbert A. Abshier, Jr.

SEC File Number:
801-N/A

Date:
11/14/2007

12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- | | Yes | No |
|--|-------------------------------------|--------------------------|
| (1) securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) amount of the securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) broker or dealer to be used? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (4) commission rates paid? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients?

Yes No
☒ ☐

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|--|---|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes
<input checked="" type="checkbox"/> | No
<input type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes
<input type="checkbox"/> | No
<input checked="" type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
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Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant:
Halbert A. Abshier, Jr.

SEC File Number:
801-N/A

Date:
11/14/2007

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Halbert A. Abshier, Jr.	IRS Empl. Ident. No.:
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**Part II, Page
2, Item 1D**

Advisory Services and Fees.

Halbert A. Abshier, Sole Proprietor, ("Advisor") provides investment advisory services to individuals, trusts, estates and charitable organizations. Investment advice and portfolio management services are provided on a continuing basis which includes the appropriate allocation of managed assets among cash, stocks, mutual funds and bonds. This selection of specific securities which will provide proper diversification and help meet the client's stated investment objectives. These services include discretionary management services.

The fee schedule is as follows:

Assets Under Management	Annualized Fee
First \$1,000,000.00	1.00%
Over \$1,000,000.00	0.50%

All advisory fees are reduced by net of commissions received by the Advisor when acting as the registered representative. The client pays the Advisor for its investment management services based upon the client's assets under management as set forth in above fee schedule. Fees are calculated by multiplying the assets under management by the relevant percent and dividing such product by four (4). Accounts opened in mid-quarter will be assessed at a pro-rated management fee. Fees are payable quarterly, in advance and such fees may be deducted from client's account(s) quarterly within thirty (30) days following the end of the quarter for which said fees will be incurred. Fees for the initial quarter will be adjusted pro-rata based upon the number of calendar days in the calendar quarter that the Agreement goes into effect. All advisory fees are negotiable. Fees are calculated on an incremental basis and are subject to change with 30 days written notice.

The minimum dollar value of assets for starting or maintaining an account is \$50,000, although Advisor may accept accounts of less than \$50,000 if client has more than one account. Advisor may elect at its sole discretion to aggregate client portfolios for meeting the \$50,000 minimum basis.

The Advisor maintains a Power of Attorney for all discretionary accounts for the purposes of directing and or otherwise effecting investments on behalf of the managed account, for the direct payment of the Advisor's fees and or the payment of commissions, custodial fees and or other charges incurred by the managed account.

To the extent mutual funds are selected to fill components of the overall investment strategy, the annual advisory fee set forth above does not include the customary fees and expenses associated with investing in mutual funds or other costs of establishing and maintaining an account with mutual funds including Rule 12b-1 fees and expenses. These are deducted as commissions from the accounts. The client is advised that, in addition to the annual advisory fee set forth above, each mutual fund in which assets are invested will incur separate investment advisory fees and other expenses for which Client will bear a proportionate share. Net commissions to advisory clients are credited to the client advisory fees on a quarterly basis.

Proxy Voting.

The Advisor shall not take any action or render any advice with respect to the voting of proxies solicited by, or with respect to, the issuers of any securities held in the Accounts.

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant:
Halbert A. Abshier, Jr.

SEC File Number:
801-N/A

Date:
11/14/2007

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Halbert A. Abshier, Jr.		IRS Empl. Ident. No.:
	Termination. The relationship between the parties may be terminated by either party upon 30 days written notice. Notwithstanding the above, if the appropriate disclosure statement was not delivered to the client at least 48 hours prior to the client entering into any written or oral advisory contract with this investment adviser, then the client has the right to terminate the relationship, contract without penalty, within five (5) business days after entering into the contract. The Client will be entitled to a pro rata refund of any pre-paid quarterly fee based upon the number of days remaining in the quarter after termination.	
Part II, Page 3, Item 4A(5)	Methods of Analysis, Sources of Information, and Investment Strategies. International economics.	
Part II, Page 3, Item 4B(8)	Methods of Analysis, Sources of Information, and Investment Strategies. International economic assessments by visitation and interviews to various countries.	
Part II, Page 3, Item 4C(7)	Methods of Analysis, Sources of Information, and Investment Strategies. Asset allocation between stocks and bonds for income requirements and time horizon considerations.	
Part II, Page 4, Item 6	Education & Business Background. Halbert A. Abshier Born: 1931 Education: 1948 Culver Military Academy 1952 Rice University BA Economics 1954 Harvard University MBA Business Background for preceding five (5) years: From 10/1991 to present; Halbert A. Abshier, Sole Proprietor, Registered Investment Adviser From 07/1996 to present: Lehman/Crossroads Group, Senior Consultant From 06/2004 to present; Thornhill Securities, Financial Consultant (this is no longer in association) From 01/2005 to present; Abshier, Webb & Donnelly, LLC, Managing Director From 01/2005 to present; Abshier, Webb & Donnelly, LLC, Managing Director From 07/2006 to present, Abshier, Webb & Donnelly, Managing Director	
Part II, Page 4, Item 7A & C	Other Business Activities. Halbert A. Abshier is Senior Consultant to Lehmann/Crossroads Group. He is in charge of distribution of private equity investments that mature. He is on the investment committee making determination of investment in private equity and venture capital management firms. The principal business is Lehmann/Crossroads Group. Mr. Abshier spends approximately thirty (30%) percent of his time on this activity.	
Part II, Page 4, Item 8C(1)	Other Financial Industry Activities or Affiliations. Halbert A. Abshier is a Managing Director of Abshier Webb and Donnelly. Abshier also serves on the	

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant:
Halbert A. Abshier, Jr.

SEC File Number:
801-N/A

Date:
11/14/2007

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Halbert A. Abshier, Jr.		IRS Empl. Ident. No.:
	investment committee for Lehman Brothers, Multiple Fund of Funds Operations in New York and Dallas and handles distribution management for the fund of funds. Abshier also assists Abshier Webb & Donnelly in funding small companies..	
Part II, Page 5, Item 9B	Participation or Interest in Client Transactions. As agent with Thornhill Securities, Mr. Abshier credits the net brokerage commissions back to the advisory client's fees on a quarterly basis.	
Part II, Page 5, Item 9E	<p>Participation or Interest in Client Transactions. No security may be bought or sold by a principal or employees of Advisor before firm's clients' accounts have had the opportunity to make such transactions as appropriate. All principal and employee trades will be reviewed. Principals and employees will not receive a more favorable execution price on a particular day than those received by Advisors investment advisory clients.</p> <p>To prevent conflicts of interest, all employees of Advisor must comply with the firm's Written Supervisory Procedures, which imposes restrictions on the purchase or sale of securities for their own accounts and the accounts of certain affiliated persons.</p> <p>The Supervisory Procedures require that all trades made by employees or related persons of Advisor, who make recommendations or participate in the determination of which recommendation shall be made, will require approval for all securities trades (except transactions in investment company securities and/or other exempt transactions) and will be reviewed by the designated person responsible. Advisor will also maintain quarterly reports on all personal securities transactions, except transactions in investment company securities and/or other exempt transactions. Further, such Written Supervisory Procedures impose certain policies and procedures concerning the misuse of material non-public information that are designed to prevent insider trading by any officer, partner, or associated person of the Advisor.</p> <p>Code of Ethics The Advisor has adopted a Code of Ethics to ensure that securities transactions by company employees are consistent with the company's fiduciary duty to its clients and to ensure compliance with legal requirements and the company's standards of business conduct. The Advisor requires transaction confirmation and quarterly reporting. A written copy of the company's Code of Ethics is available upon request.</p>	
Part II, Page 5, Item 10	Conditions for Managing Accounts. The minimum dollar value of assets for starting or maintaining an account is \$50,000, although Advisor may accept accounts of less than \$50,000 if client has more than one account. Advisor may elect at its sole discretion to aggregate client portfolios for meeting the \$50,000 minimum basis.	
Part II, Page 5, Item 11A	Review of Accounts. Richard Webb, Managing Director of Abshier Webb & Donnelly, LLC, will review all accounts on a quarterly basis, and compares each investment on a transaction basis to insure that each transaction is: (i) suitable to the respective client's investment objectives; (ii) meets that client's quality standards; and (iii) to make sure that their investment objectives are still pertinent to the managed account arrangement. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances or the market economic or political environment.	
Part II, Page	Reports.	

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant:
Halbert A. Abshier, Jr.

SEC File Number:
801-N/A

Date:
11/14/2007

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Halbert A. Abshier, Jr.		IRS Empl. Ident. No.:
5, Item 11B	The Advisor issues quarterly reports to clients which generally report and are intended to demonstrate the performance of account assets as well as providing an asset holding summary and contributions/withdrawals for the term. Additionally the client receives an annual performance report for each calendar year, summarizing all portfolio activity for the year. The clients also receive brokerage transaction confirmations and monthly and or quarterly statements from the custodian of the account.	
Part II, Page 5, Item 12 A	<p>Investment or Brokerage Discretion.</p> <p>The Advisor will supervise and direct the investments of the client accounts subject to such limitations as the client may impose in writing. The Advisor, as agent and attorney-in-fact with respect to the client's account, without prior consultation with the client, may, (a) direct the purchase, sell, exchange, conversion, and otherwise trade in stocks, bonds and other securities including money market instruments, (b) direct the amount of securities purchased, sold, exchanged, and otherwise traded; (c) place orders for the execution of such securities transactions with Abshier Webb & Donnelly, LLC or other third party broker/dealers; and (d) determine the commission rates paid. The Advisor will allocate brokerage transactions in a manner it believes to be fair and responsible to its clients, and consistent with client objectives. Adhering to a strict formula will not be practicable given the variation in client objectives and guidelines.</p> <p>Unless the client instructs the Advisor otherwise, the Advisor will place orders for the execution of transactions through Abshier Webb & Donnelly, LLC, and while complying with Section 28(e) of the Securities Exchange Act of 1934, may pay a commission on transactions in excess of the amount of commission another broker or dealer would have charged. Commissions paid are generally not higher than those obtainable from other brokers for similar transactions and which the Advisor believes to be in the best interests of its client, taking into consideration in addition to access to and quality of research resources, execution capability, market services, timely response, and other services provided by the Advisor which are expected to enhance the general portfolio management capabilities of the Advisor. Further, Abshier Webb & Donnelly, LLC holds all customer funds and/or securities on behalf of the Advisor's brokerage customers for purposes of the Securities Investor Protection Act. Notwithstanding that fact, clients are not required to execute transactions through Abshier Webb & Donnelly, LLC. Abshier Webb & Donnelly, LLC was selected as the executing and clearing broker based upon, among other things, its financial solvency and credibility, its level of customer service, its capacity to offer a wide range of brokerage services, its research services and recommendations, and its reputation. Clients may pay execution costs higher than those obtainable from other brokers due to these services. Any research and recommendations provided by the executing and clearing broker is used to service all accounts. Prospective clients are hereby advised that lower fees for comparable services may be available from other sources such as the Internet and deep discount brokerage firms. The Advisor has no obligation to seek the lowest commission cost or charge the lowest advisory fee.</p> <p>In managing investment portfolios, the Advisor acts in a manner in keeping with what it understands and believes to be the best interests of the client.</p>	
Part II, Page 5, Item 13 A	<p>Additional Compensation</p> <p>The Advisor receives brokerage commissions for securities bought and sold in client portfolios. These commissions are credited to the quarterly fees charged the client pursuant to the Investment Advisory Agreement.</p>	