
Item 1 - Cover Page

Brochure

Hall & Romkema Financial Services, LLC

3495 Coolidge

East Lansing, MI 48823

517-337-8900

www.harfs.com

March 30, 2012

This Brochure provides information about the qualifications and business practices of Hall & Romkema Financial Services, LLC [Hall & Romkema, us, we and or our]. When we use the words “you”, “your” and “client” we are referring to you as our client or our prospective client. We use the term “Associated Person” when referring to our officers, employees, and all individuals providing investment advice on our behalf. If you have any questions about the contents of this Brochure, please contact us at 517-337-8900 and/or email at info@harfs.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Hall & Romkema is a registered investment adviser. The registration of an investment adviser does not imply any level of skill or training. The oral and written communications made to you by Hall & Romkema, including the information contained in this Brochure, should provide you with information to determine whether to hire or retain Hall & Romkema as your adviser. 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 Hall & Romkema also is available on the SEC’s website at www.adviserinfo.gov. The SEC’s web site also provides information about any persons affiliated with, registered, and required to be registered, as investment adviser representatives of Hall & Romkema.

Item 2 - Material Changes

Please note that all of the “material changes” made to this Brochure as of March 30, 2012, and since our last delivery or posting of the Brochure on the SEC’s public disclosure website (IAPD) www.advisorinfo.sec.gov, are set forth below:

- Item 15 – Custody - Custody of Funds was revised to expand the discussion of custody of client funds as a result of pooled investments.
- Item 19 – Other Information – Privacy Policy was included to provide you with our Privacy Policy.

In addition to the material changes set forth above, additional changes reflected in this version of this Brochure include a number of minor editorial changes and the updated information on our assets under management.

Currently, our Brochure may be requested by contacting Joe Romkema, Principal, at 517-337-8900 and/or email at jromkema@harfs.com. Our Brochure is also available on our web site www.harfs.com, free of charge.

Item 3 - Table of Contents

Item 1 - Cover Page.....	i
Item 2 - Material Changes.....	ii
Item 3 - Table of Contents	iii
Item 4 - Advisory Business	1
Ownership.....	1
Services Offered	1
Investment Products	1
Assets Under Management	1
Education	2
Item 5 - Fees and Compensation	2
Fees	2
Valuation	2
Transaction Costs	3
Termination.....	3
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.....	4
Analysis Methods	4
Charting	4
Fundamental.....	4
Technical.....	4
Cyclical	4
Sources of Information	5
Investment Strategies	5
Investment Strategy Risks.....	5

General Risks	5
Long term Purchases (securities held at least a year)	6
Short term purchases (securities sold within a year).....	6
Margin Transactions	6
Item 9 - Disciplinary Information	6
Item 10 - Other Financial Industry Activities and Affiliations	6
Broker-Dealer	6
Accounting Firm	7
HRC Hotels	7
Other Activities	7
Item 11 - Code of Ethics	7
General.....	7
Personal Trading	8
Insider Information	8
Item 12 - Brokerage Practices	9
General.....	9
Best Execution.....	9
Third Party Broker-Dealers	10
Client Directed	10
Block Trades	11
Soft dollar Arrangements.....	12
Item 13 - Review of Accounts	12
Account Review.....	12
Reports.....	12
Trade Errors	12
Item 14 - Client Referrals and Other Compensation	12
Client Referrals.....	12

Other Compensation.....	13
Broker-Dealer Activities	13
Accounting Activities.....	13
Hotel Activity.....	13
Mutual Funds Charges	13
Cash and Money Market Funds	14
Margin Loans.....	14
Item 15 - Custody.....	14
Selection of Custodian	14
Statements	15
Custody of Securities and Funds.....	15
Item 16 - Investment Discretion	15
Item 17 - Voting Client Securities.....	15
Item 18 - Financial Information	15
Item 19 - Other Matters.....	16
Business Continuity Plan	16
Privacy Policy.....	16
Brochure Supplement(s)	

Item 4 - Advisory Business

Ownership

The Principal Owners of Hall & Romkema are Terry Hall, Joe Romkema and Richard Tanke.

Services Offered

Hall & Romkema has been in business since 2003. Hall & Romkema provides investment advice and portfolio management services on a continuing basis, including the allocation of managed assets among cash, stocks, and bonds with the selection of specific securities which will assist our clients in providing proper diversification to help obtain their stated investment objectives.

Hall & Romkema offers the following advisory services:

- Financial planning services
- Portfolio management services for individuals and/or small businesses
- Portfolio management for businesses or institutional clients (other than investment companies)
- Pension consulting services

Investment Products

Hall & Romkema may offer advice on the following as well as the foreign equivalents of the following investment products:

- Equity securities (exchange-listed, over the counter, foreign issuers)
- Warrants
- Corporate debt securities
- Commercial paper
- Certificates of deposits
- Municipal securities
- Investment Company Securities (variable life insurance, variable annuities, mutual fund shares)
- United States government securities
- Option contracts on securities
- Interests in partnerships investing in real estate, oil and gas

Assets Under Management

Hall & Romkema manages \$47,070,246 in client assets on a non-discretionary basis. The date on which these amounts were calculated was on the December 31, 2011.

Education

Officers and associates of Hall & Romkema must have:

- An applicable professional designation; and/or
- Have a minimum of a Bachelor's degree or equivalent with 5 years experience in the investment field; and
- Have displayed a high degree of integrity in previous business background, high standards of morals and ethics and be committed to providing quality investment advice. See ADV Form Part 2B for additional information.

Item 5 - Fees and Compensation

Fees

Our fees for investment services provided to you are based on a percentage of assets under management. Although fees for our services are negotiable and discussed in detail during the presentations of our services to potential clients, our fees generally are 1.00% of the clients assets under management. Variations from that number are based upon a number of factors, including the size of the portfolio, services requested, and portfolio assets.

The amounts and specific manner in which fees are charged is negotiated and memorialized in Hall & Romkema's contract with our clients, and we generally bill our fees on a quarterly basis, in arrears. Generally, such fees are deducted from your accounts quarterly, within thirty (30) days following the end of the quarter for which said fees will be incurred. Fees are calculated by multiplying the assets under management by the relevant percent and dividing such product by four (4). Accounts opened during the quarter will be assessed a pro-rated management fee. Fees are calculated on an incremental basis and are subject to change with 30 days written notice. Management fees are not be prorated for each capital contribution and withdrawal made during the applicable calendar quarter.

The assets under management shall include the following:

- (i) Fixed Income Investments [CDs, Bonds, etc.]; shall be the market value of all fixed income securities and
- (ii) Other investments [Stocks, Options]; shall be the market value of the securities or investments.

Valuation

The valuation of securities and other instruments are generally determined by their last reported sale price on the principal market in which they are traded, if traded on a market for which transaction prices are publically reports. Otherwise, other readily marketable securities and instruments are valued by using a pricing service or by other equitable means consistent with the fiduciary duty of the money manager to determine a fair market value.

Transaction Costs

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

See also Other Financial Industry Activities and Affiliation, Brokerage Practices and Client Referrals and Other Compensation below for a description of additional compensation received by Hall & Romkema, a description of factors that we consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions), and potential conflicts of interests related to certain affiliations.

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. Since fees are paid in arrears, no proration of fees will occur upon termination of the agreement; however a final fee will be charged which will be prorated according to the number of days for which we provided our investment advisory services during the current quarter.

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

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

Item 7 - Types of Clients

We offer portfolio management advice for individuals, small business and portfolio management services for related investment partnerships and provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Pension and profit sharing plans (other than participants)
- Charitable organizations
- Trusts

-
- Estates
 - Corporations

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

Investing in securities involves risk of loss that clients should be prepared to bear.

Analysis Methods

Security analysis methods utilized by Hall & Romkema include the following:

Charting

Charting analysis seeks to identify resistance and support reference prices for decisions to buy (price hits the support) or sell (price hits the resistance). Through charting, the analysis seeks to identify price patterns and market trends in financial markets. Charting may apply to long-term investing or be used as a market-timing strategy, depending on the time-frame of the price charts.

Fundamental

Fundamental analysis maintains that markets may misprice a security in the short run, but that the "correct" price will eventually be reached by the market. The fundamental analysis of a business involves analyzing businesses: financial statements and health, management and competitive advantages, and competitors and markets. When applied to futures and forex, it focuses on the overall state of the economy, interest rates, production, earnings, and management.

Technical

Technical analysis maintains that all information is already reflected in the stock price. Technical analysis is a discipline for forecasting the direction of prices through the study of past market data, primarily price and volume. Generally, technical analysis employs models and trading rules based on price and volume transformations, such as the relative strength index, moving averages, regressions, inter-market and intra-market price correlations, business cycles, stock market cycles or, classically, through recognition of chart patterns.

Cyclical

Cyclical analysis generally targets cyclical stocks for purchase of equity securities when the ratio of price-to-earnings (P/E Ratio) is low, and sell them when the P/E Ratio is high (i.e. when earnings are peaking). The P/E Ratio is a measure of the price paid for a share relative to the annual net income or profit earned by the firm per share.

Sources of Information

The main sources of information that Hall & Romkema uses to analyze these investment strategies is:

- Financial newspapers and magazines
- Research materials prepared by others
- Corporate rating services
- Timing Services
- Annual reports, prospectuses, filings with the SEC
- Company press releases

Other sources of information that we may use include:

- Morningstar Principia mutual fund information,
- Morningstar Principia stock information, and
- World Wide Web.

Investment Strategies

The investment strategies Hall & Romkema uses to implement any investment advice give to clients includes the following:

- Long term Purchases (securities held at least a year)
- Short term purchases (securities sold within a year)
- Margin transactions

Investment Strategy Risks

General Risks

The following described risks may result in a loss to the overall value of your account

Lack of Diversification: Portfolio investments may be concentrated and diversification may be limited. There are no limits with respect to position sizes. Any assets or combination of assets that can be held in a securities account can be purchased or sold.

Cash and Cash Equivalents: A client accounts may maintain significant cash positions from time-to-time. Clients will pay the Investment Management Fee based upon the net asset value of the Account, including cash and cash equivalents. The Account may also forego investment opportunities to hold cash positions if we consider it in the best interests of the Accounts.

Interest Rate Fluctuation: The prices of securities in which the Advisor may invest are sensitive to interest rate fluctuations. Unexpected fluctuations in interest rates could cause the corresponding prices of the long and short portions of a position to move in directions which

were not initially anticipated. In addition, interest rate increases generally will increase the interest carrying costs of borrowed securities and leveraged investments.

Long term Purchases (securities held at least a year)

Liquidity: The portfolio will be invested in liquid securities and private investments are not permitted. It is possible that securities may become less liquid during the holding period.

Short term purchases (securities sold within a year)

Market Risks: The success of a significant portion of the program will greatly depend upon correctly assessing the future course of the price movements of the securities traded. We cannot assure that the trading programs utilized will accurately predict these price movements. Additionally, over time, the effectiveness of any of our trading programs may decline, due to other market participants developing similar programs or techniques or other factors not yet realized or determined.

Margin Transactions

Leverage: We may use leverage in investing. Such leverage may be obtained through various means. The use of short-term margin borrowings may result in certain additional risks to Accounts. For example, should the securities pledged to a broker to secure a margin account decline in value, a “margin call” may be issued. This would require additional accounts to be deposited with the broker or the broker would effect a mandatory liquidation of the pledged securities to compensate for the decline in value. We might not be able to liquidate assets quickly enough to pay off the margin debt and the Accounts may therefore also suffer additional significant losses as a result of such default. Although borrowing money increases returns, if returns on the incremental investments purchased with the borrowed accounts exceed the borrowing costs for such accounts, the use of leverage decreases returns if returns earned on such incremental investments are less than the costs of such borrowings.

Item 9 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Hall & Romkema or the integrity of Hall & Romkema’s management. Hall & Romkema has no information which is applicable to this Item.

Item 10 - Other Financial Industry Activities and Affiliations

Broker-Dealer

Hall & Romkema is registered as a broker-dealer with the U.S. Securities & Exchange Commission (SEC) and various state jurisdictions and is a member firm of the Financial Industry Regulatory Authority (FINRA). The broker-dealer activities generally comprise approximately

26% of its business activities. Hall & Romkema, as broker-dealer, may be used to execute portfolio transactions for Hall & Romkema's investment advisory clients.

Clients have the option to designate the broker-dealer utilized, including the utilization of Hall & Romkema as the broker-dealer for the execution of securities. These transactions will be conducted subject to proper, and customary, disclosure including but not limited to compensation received by Hall & Romkema. Compensation will be received by Hall & Romkema as a broker dealer when portfolio transactions are effected on behalf of investment advisory clients. See “Brokerage Practices” and “Referral Arrangements and Other Compensation”.

Accounting Firm

Terry L. Hall, Joe A. Romkema and Richard L. Tanke are members/shareholders of the Certified Public Accounting Firm of Hall & Romkema, PLC. Hall & Romkema, PLC may provide accounting services to our advisory and brokerage clients as a result of this relationship, in accordance with our fiduciary duty as your adviser, and in accordance with the professional code of conduct governing the activities of accountants.

HRC Hotels

HRC Hotels, L.L.C. (“HRC Hotels”) constructs, acquires, develops, owns, finances, refinances, operates and disposes of branded select limited service and extended stay hotel properties. HRC Hotels owns a portfolio of eighteen branded select limited service and extended stay hotels operating as Hampton Inn Hotels, Hampton Inn & Suites Hotels, Homewood Suites by Hilton, Baymont Inn & Suites, TownePlace Suites by Marriott and Fairfield Inn & Suites by Marriott, which are located in Florida, Indiana, Michigan and Iowa.

Other Activities

Hall & Romkema and certain of its principal executive officers may engage in the following activities:

- As a broker or agent, effecting securities transactions through Hall & Romkema for compensation for our advisory clients who do not otherwise designate another brokerage firm to perform such services.
- Buying or selling for itself securities that it also recommends to clients.

Item 11 - Code of Ethics

General

Hall & Romkema has adopted a Code of Ethics to ensure that securities transactions by Hall &

Romkema's employees are consistent with our fiduciary duty to our clients and to ensure compliance with legal requirements and the advisor's standards of business conduct. Hall & Romkema requires transaction confirmation and quarterly reporting.

Personal Trading

To mitigate conflicts of interest, all employees of Hall & Romkema must comply with our code of Ethics and procedures, which collectively impose restrictions on the purchase or sale of securities for their own accounts and the accounts of certain affiliated persons. The Code of Ethics and procedures generally require that all trades made by employees or related persons of Hall & Romkema, 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. Additionally:

- No security may be bought or sold by a principal or employee of Hall & Romkema before Hall & Romkema's clients' accounts have had the opportunity to make such transactions as appropriate.
- All Hall & Romkema principal and employee trades will be reviewed by our compliance officer, and
- Principals and employees of Hall & Romkema will not receive a more favorable execution price on a particular day than those received by our investment advisory clients.

Notwithstanding the above, Hall & Romkema, and/or their officers, directors or employees may purchase for themselves similar or different securities as purchased or recommended for investment advisory clients of Hall & Romkema, and that different securities or transactions may be affected or recommended for different investment advisory clients of Hall & Romkema.

Hall & Romkema will also maintain quarterly reports on all personal securities transactions, except transactions in investment company securities and/or other exempt transactions.

Insider Information

Further, our Code of Ethics and 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 Hall & Romkema.

A written copy of Hall & Romkema's Code of Ethics is available upon request.

Item 12 - Brokerage Practices

General

It is generally anticipated that Hall & Romkema will be designated by the client as the broker-dealer for the execution of securities transactions which are directed by us. To the extent that it is, Hall & Romkema will seek to obtain the best combination of price and execution for such transactions; however, lower commissions or better execution may be available elsewhere, for example, by the execution of the transaction through a so called "discount broker." Additionally, these transactions will be conducted subject to proper, and customary, disclosures including (but not limited to) compensation received by Hall & Romkema and its registered representatives. See Client Referrals and Other Compensation for a discussion of compensation related to these services.

Based upon the similarity of investments among client accounts having similar investment objectives, and the fact that Hall & Romkema may direct the purchase of securities for more than one account simultaneously, and the possible appearance of similarity in the treatment of clients, all client accounts are handled under the following basic conditions, designed to prevent pooling of assets and/or the management of accounts on a de facto pooled basis, resulting in the existence of an investment company. The custody of accounts held by the custodian on behalf of Hall & Romkema is structured such that each client's securities are held in nominee name only for ministerial purposes and each client's account is maintained as a separate account. The client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the client's securities in the account.

Further, each client retains any and all rights afforded under the federal securities laws to proceed directly against the issuer of any underlying security in the client's account. Each client may withdraw, hypothecate, vote or pledge securities in their account upon written notice to Hall & Romkema and each client has the authority to instruct Hall & Romkema from directing the purchase of certain securities through Hall & Romkema that might otherwise be purchased in the client's account. To insure the account's investments are in keeping with the customer's investment objectives, the client's circumstances are monitored through annual interviews.

Best Execution

Transaction rates for trades executed through us may not always be as favorable as those that could be obtained if transactions were executed through another broker-dealer. The fact that our clients are likely to use us as the broker to execute transactions presents a potential conflict of interest in that our personnel will receive additional compensation in their capacity as the broker. Such transactions may create a conflict of interest because we have a duty to obtain the most favorable price for advisory clients while its registered representatives of the affiliated broker

dealer, have a duty to obtain the most favorable price for their brokerage customers. Accordingly, we follow procedures designed to ensure that all parties to the transaction receive at least as favorable a price as would be received if the transaction were executed on the open market.

Third Party Broker-Dealers

Notwithstanding the foregoing, we may, at our discretion, trade with non-affiliated broker-dealers for advisory accounts when circumstances, such as the receipt of research and other services to be provided by a broker-dealer, warrant it. Our clients have generally agreed in their client account agreement that we recommend to them the broker-dealers. Such services may include, but are not limited to, written information and analyses concerning specific:

- Securities
- Companies or sectors
- Market, financial and economic studies and forecasts
- Financial publications
- Statistical and pricing services
- Portfolio accounting systems as well as discussions with research personnel,
- Technical and telecommunications services including: hardware, software, databases, lines and equipment utilized in the investment management process (updates, improvements, repairs and replacements)

In selecting a broker - dealer other than us to execute transactions, we will, consistent with our obligations to obtain best price and best execution for its clients, take into account such relevant factors as:

- Price
- Broker's or dealer's facilities, reliability and financial responsibility
- The ability of the broker or dealer to effect transactions, particularly with regard to such aspects as timing, order size, and execution of orders
- The research and related brokerage services provided by such broker or dealer to us, notwithstanding that an account may not be the direct or exclusive beneficiary of such services; and
- Any other factors we consider to be relevant. Subject to the requirements of Section 28 (e) of the Securities Exchange Act of 1934, as amended, we may pay a broker a commission in excess of that which another broker might charge in recognition of the value of research and execution provided.

Client Directed

Clients may instruct us to direct all or a portion of the securities transactions for its account to a specified broker or dealer. We will treat the client direction as a decision by the client to retain

the discretion that otherwise would have in selecting a broker-dealer to effect transactions and in negotiating transaction fees generally for the client's account. The client who directs us to use a specific broker may pay higher or lower transaction fees such as commissions, commission equivalents, mark-ups, mark-downs, dealer spreads, credits or otherwise, and may receive less or more favorable execution services than if the client did not direct transactions to a particular broker.

Any instruction or limitation relating to the selection of broker-dealers must be in writing. Because client-directed trades often cannot be aggregated with non-directed trades, such designations may adversely affect Hall & Romkema's ability to obtain volume discounts on aggregated orders or to obtain best price and execution by effecting certain transactions directly with the market maker.

Block Trades

We may enter trade orders ("Block Trade") in a given security for groups of its clients that are bunched or aggregated, including employee related accounts and accounts of affiliated entities. When entering Block Trades, we generally determine the full allocation to each participating account at the time the orders are placed. When execution of the order is completed in a single trading day, the Block Trade is average priced and allocated in full to the accounts that were part of the Block Trade. When both client and employee related accounts participate in a Block Trade, they receive the same average price calculation.

When execution of the order is not completed in a single day ("Partial Fill"), the account allocation of shares purchased or sold in the Block Trade is provided to the broker-dealer using one of several fair and equitable methods of allocation generally at the end of the day's trading. The allocation of a Partial Fill will be done in a fair and equitable manner using various allocation methods at the average price for the day. Notwithstanding the above, a given account may receive a better or worse price than if its trading had been accomplished separately. Any allocation procedures administered are not intended to operate concurrently to favor or disfavor the same accounts.

The commission or commission equivalent paid by clients participating in Block Trades may differ from and be higher than the rate paid by other clients participating in the same transaction, including employee related accounts. These differing rates may be due to differences in the size and nature of the accounts, and differences in the services provided. The commission or commission equivalent paid by the client is separate from and has no effect on the average price for the day.

We are not required to bunch orders if we determine that it would be consistent with its fiduciary duties not to do so or if portfolio management decisions are not made together. If client and employee related accounts have the same order type (buy or sell), in the same security, on the

same day and are not bunched or aggregated together in a Block Trade, the employee related account receives the worse price of the day.

Soft dollar Arrangements

Hall & Romkema does not engage in any soft dollar arrangements.

Item 13 - Review of Accounts

Account Review

Hall & Romkema's accounts are monitored on a systematic basis and each account is reviewed monthly by Joe Romkema, a designated principal of the firm. Notwithstanding the above, more active accounts and larger accounts may be reviewed on a daily basis. With respect to account performance, Hall & Romkema reviews each account on a quarterly basis, and compares each investment on a transaction basis to insure that each transaction is:

- suitable to the respective client's investment objectives;
- meets that client's quality standards; and
- to make sure that their investment objectives are still pertinent to the managed account arrangement.

Reports

The nature and frequency of reports to clients are determined primarily by the particular needs of each client. Generally, clients are issued quarterly reports by Hall & Romkema detailing their individual assets, unless the client requests a more frequent basis. Additionally, the client also receives an annual performance report for each calendar year, summarizing all portfolio activity for the year. The client also receives monthly account statements from Hall & Romkema detailing all activity in the client's managed accounts.

Trade Errors

Though Hall & Romkema will attempt to correct trading errors as soon as they are discovered, it may not be responsible for poor executions or trading errors committed by the brokers with whom it transacts or Hall & Romkema itself, unless, such errors resulted from the Hall & Romkema's negligence, fraud or willful misconduct.

Item 14 - Client Referrals and Other Compensation

Client Referrals

We do not utilize or pay third party solicitors for the referral of advisory clients to us.

Other Compensation

Broker-Dealer Activities

In our capacity of a broker-dealer, we may be used to execute portfolio transactions for investment advisory clients at the discretion of the client. These transactions will be conducted subject to proper, and customary, disclosure including but not limited to compensation received by us. Compensation is received by Hall & Romkema, as a broker-dealer, when portfolio transactions are effected on behalf of investment advisory clients by either Hall & Romkema or the third party money managers and therefore, we may receive compensation as a result of acting in one or both capacities.

Accounting Activities

Hall & Romkema, PLC may provide accounting services to our advisory and brokerage clients. To the extent our advisory and brokerage clients elect to utilize Hall & Romkema, PLC for accounting services, accounting and consulting fees will be earned for such services. This service is not included in the fees paid for our advisory services. This relationship can create a conflict of interest in that it could be perceived that we use our relationship of trust to move your accounting and or advisory services to a firm that is affiliated through common control. We manage this conflict by monitoring and disclosing such potential conflicts in accordance with our fiduciary duty as your adviser, and in accordance with the professional code of conduct governing the activities of accountants.

Hotel Activity

HRC Hotels commenced an offering of unsecured debentures ("Debentures") to fund additional development of hotel properties. There is a conflict of interest in that the Debentures are being offered to certain qualified advisory clients of ours, and while the Debentures will not be included in assets under management for the computation of our fees, we will be compensated 2.5% of all Debentures sold in our capacity as a broker-dealer, and we will receive an economic benefit as a result of our ownership interest in HRC Hotels. Additional information regarding the compensation, conflict of interest and risks associated with an investment in the Debentures is available in the Confidential Private Placement Memorandum related to the offering of the Debentures. We manage this conflict by monitoring the suitability of an investment in the Debentures and disclosing such potential conflicts in accordance with our fiduciary duty as your adviser.

Mutual Funds Charges

To the extent mutual funds are selected by Hall & Romkema to fill components of the overall investment strategy, we endeavor to purchase such mutual fund shares at Net Asset Value ("NAV") or no load. Thus, you generally will not be subject to any initial distribution cost (front-end sales charge) or redemption fee (back-end sales charge), if any, that might normally be incurred upon the purchase or sale of shares of mutual fund shares. However, we will receive

Rule 12b-1 fees from the issuers of such mutual funds, and this will be in addition to the advisory fee paid herein. Also, you are advised that, in addition to the annual advisory fee set forth above, some mutual funds in which assets are invested will incur separate other related expenses.

Cash and Money Market Funds

If you utilize us as the broker-dealer, Hall & Romkema's selection of money market mutual funds, or comparable investments in which to hold cash reserves in the client's account is limited to certain investments. The selection includes money-market, municipal money-market and government money-market funds, and the issuers of funds may pay us a distribution fee in its capacity as a broker-dealer. This compensation is in addition to other fees, etc. received from client accounts. Additionally, cash balances arising from the sales of securities, redemption of debt securities, dividend and interest payments and funds received from clients are so invested automatically on a daily basis. When securities are sold, funds are deposited on the first business day after settlement date. Funds placed in a client's account by personal check usually will not be invested until the second business day following the day that the deposit is credited to the client's account. Due to the foregoing practices, we may obtain federal funds prior to the date that deposits are credited to your account and thus may realize some economic benefit because of the delay in investing these funds. Where an unaffiliated broker-dealer or other entity acts as custodian of the client's account assets, we have no control over the manner in which the cash reserves will be handled. The client and/or custodian will make that determination. This compensation is historically minimal in relation to all other compensation earned by Hall & Romkema.

Margin Loans

To the extent you utilize Sterne Agee for margin loan financing, we will receive interest sharing compensation related to such margin loans.

Item 15 - Custody

Selection of Custodian

In our capacity as a broker-dealer, we clear our securities transactions on a fully disclosed basis through Sterne Agee Capital Markets, Inc. ("Sterne Agee"). As a result of that relationship, Sterne Agee is the custodian for our clients electing to use our trade execution platform. Sterne Agee was selected as the executing and clearing broker based upon, among other things, its financial solvency and credibility, its level of customer service, its trade execution capability, its managed account trading desk and its reputation. Regardless of our recommendation regarding the custodian, clients may direct us to utilize other custodians. See Brokerage Practices, Other Financial Industry Activities and Affiliations, and Client Referrals and Other Compensation.

Statements

You should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains your investment assets. We urge you to carefully review such statements and compare such official custodial records to the account statements that we or your money manager may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting.

Custody of Securities and Funds

We do not maintain custody of client securities as we do not receive delivery of any client securities in its advisory capacity. Additionally, while the Company does not maintain direct custody of customer funds under management, affiliates of Hall & Romkema are the general partner and managing member to HRC Hotels, and advisory clients of the Company have invested in the Debentures of such entity. As such, Hall & Romkema is deemed to have custody of client funds pursuant to the Custody Rule. . Notwithstanding that fact, the Company is exempt from the reporting requirements of the rule with respect to pooled investment vehicles, such as limited partnerships or limited liability companies, as HRC Hotels (i) is audited annually; and (ii) distributes its audited financial statements, which are prepared in accordance with generally accepted accounting principles, to holders of the Debentures within 120 days of the end of its fiscal year.

Item 16 - Investment Discretion

We do not receive discretionary authority from any client with respect to the management of our client accounts. Thus, we will not execute any recommendation without your express consent. Additionally, all recommendations are subject to the investment guidelines in our investment advisory contract.

Item 17 - Voting Client Securities

As a matter of firm policy and practice, we do not have any authority to and does not vote proxies on behalf of advisory clients. You retain the responsibility for receiving and voting proxies for any and all securities maintained in your portfolios.

Item 18 - Financial Information

We are required to provide you with certain financial information or disclosures about any financial condition which would impede our ability to provide the advisory services described herein. As Hall & Romkema 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, and we do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, we have no additional material additional financial disclosures.

Item 19 - Other Matters

Business Continuity Plan

Hall & Romkema has developed a Business Continuity Plan to address how the firm will respond to events that may disrupt its business. Since timing and impact of disasters is unpredictable, the firm will have to be flexible in responding to the events as they occur.

If after a significant business disruption the main telephone line is inactive, the emergency number is 517-337-8900 or jromkema@harfs.com. If you cannot reach us at the aforementioned contact, please contact Sterne Agee Capital markets, Inc. at 800-264-4863 or 888-678-3763.

This Plan is designed to permit Hall & Romkema to resume operations as quickly as possible, given the scope and severity of the significant business disruption. The Business Continuity Plan covers data back-up and recovery, all mission critical systems, financial and operational assessments, alternative communications with customers, employees, and regulators, alternate physical location of employees, critical supplier, contractor, bank and counter-party impact, regulatory reporting and the assurance of prompt access to funds and securities for our clients.

Significant business disruptions can vary in their scope, such as emergencies affecting only a single building housing our firm, the business district where our firm is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our firm or a building housing our firm, we will transfer our operations to an emergency-ready local site, moving a select group of trained employees and expecting to recover and resume business within twenty-four hours. In a disruption affecting our business district, city, or region, we will move appropriate staff to a site outside of the affected area to be able to communicate with Sterne Agee Capital Markets, Inc. at 800-264-4863 or 888-678-3763 on behalf of our clients. If the significant business disruption is so severe that it prevents us from remaining in business, we assure our customers' prompt access to their funds and securities.

Privacy Policy

Hall & Romkema respects your right to privacy and recognizes our responsibility for protecting the privacy and security of the personal information we receive from you. We have always been committed to securing the confidentiality and integrity of your personal information. We are proud of our privacy practices and want our current and prospective customers to understand what information we collect and how we use it.

Why We Collect Your Information - We gather information about you so that we can (i) know who you are and thereby prevent unauthorized access to your information, (ii) design and improve the services we offer and (iii) comply with the laws and regulations that govern us.

What Information We Collect - We may collect the following types of 'nonpublic personal information' about you:

- Information about your identity, such as your name, address and social security number;
- Information about your transactions;
- Information about your personal financial profile, such as your risk tolerance levels, goals and objectives, assets, liabilities, savings and investments.

What Sources We Obtain Your Information From - We collect nonpublic personal information about our clients such as you from the following sources:

- Information we receive from you on contracts or other forms; such as risk tolerance questionnaires and/or investment policy statements.
- Information about your transactions with our affiliates, or others.
- If you visit our web site, information we may collect via a web server, is often referred to as a "cookie." Cookies indicate where a site visitor has been online and what has been viewed.

What Information We Disclose - We do not disclose any nonpublic personal information about our customers or former customers to anyone, except to affiliates, as permitted or required by law, or for regulatory compliance. Moreover, we will not release information about our customers or former customers unless one of the following conditions is met:

- We receive your prior written consent.
- We believe the recipient to be you or your authorized representative.
- We are required by law to release information to the recipient.

Confidentiality and Security - We maintain physical, electronic and procedural safeguards to guard your personal information. We also restrict access to your personal and financial data to our authorized associates who have a need for these records. We require all nonaffiliated organizations and vendors to keep client data confidential and use appropriate security measures to protect it. They must also contractually obligated to keep the information provided confidential and used as requested. Furthermore, we will continue to adhere to the privacy policies and practices described in this notice even after your account is closed or becomes inactive.

Changes to Our Privacy Notice - We will continue to conduct our business in a manner that conforms to our pledge to you, your expectations and all applicable laws; however, our policy about obtaining and disclosing information may change from time to time. We will provide you with notice of any material change to this policy before we implement the change.

To Contact Us - If you have questions regarding our privacy policy, please contact us at 517-337-8700.