

**FORM ADV****Uniform Application for Investment Adviser Registration****Part II - Page 1****OMB APPROVAL**

OMB Number: 3235-0049

Expires: Feb. 28, 2011

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Hours per response... 4.07

Name of Investment Adviser:

**PG Capital Management, LLC**

Address: (Number and Street)

**1055 Thomas Jefferson Street, St 650**

(City)

**Washington**

(State)

**DC**

(Zip Code)

**20007**

Area Code: Telephone Number:

**( 202 ) 965-2166****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**

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

**FORM ADV****Part II - Page 2**

Applicant:

**PG Capital Management, LLC**

SEC File Number:

801-n/a

Date:

**03/12/2009**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 instruction below.)

**Applicant:**

- |                                     |   |              |
|-------------------------------------|---|--------------|
| <input checked="" type="checkbox"/> | (1) Provides investment supervisory services . . . . .  | <u>100</u> % |
| <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 type="checkbox"/> D. Pension and profit sharing plans |   |

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

**FORM ADV****Part II - Page 3**

Applicant:

**PG Capital Management, LLC**

SEC File Number:

801- n/a

Date:

**03/12/2009****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 checked="" type="checkbox"/> (2) securities traded over-the-counter                        | I. Options contracts on:   |
| <input checked="" type="checkbox"/> (3) foreign issues  | <input type="checkbox"/> (1) securities                                    |
|   | <input type="checkbox"/> (2) commodities                                   |
| <input type="checkbox"/> B. Warrants  | J. Futures contracts on:   |
|   | <input type="checkbox"/> (1) tangibles                                     |
| <input checked="" type="checkbox"/> C. Corporate debt securities<br>(other than commercial paper) | <input type="checkbox"/> (2) intangibles                                   |
| <input type="checkbox"/> D. Commercial paper  | K. Interests in partnerships investing in:                                 |
| <input type="checkbox"/> E. Certificates of deposit   | <input type="checkbox"/> (1) real estate                                   |
| <input type="checkbox"/> F. Municipal securities  | <input type="checkbox"/> (2) oil and gas interests                         |
|   | <input type="checkbox"/> (3) other (explain on Schedule F)                 |
| G. Investment company securities:   | <input type="checkbox"/> L. Other (explain on Schedule F)                  |
| <input type="checkbox"/> (1) variable life insurance  |  |
| <input type="checkbox"/> (2) variable annuities   |  |
| <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 type="checkbox"/> Cyclical                      |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input 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<br>Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases   |
| (4) <input type="checkbox"/> Corporate rating services                        | (8) <input 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<br>(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions   |
| (2) <input checked="" type="checkbox"/> Short term purchases<br>(securities sold within a year)  | (6) <input type="checkbox"/> Option writing, including covered options, uncovered<br>options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days)                            | (7) <input type="checkbox"/> Other (explain on Schedule F)   |
| (4) <input type="checkbox"/> Short sales   |  |

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

**FORM ADV****Part II - Page 4**

Applicant:

**PG Capital Management, LLC**

SEC File Number:

801-n/a

Date:

**03/12/2009****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 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 adviser 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 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.)

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

**FORM ADV**
**Part II - Page 5**

Applicant:

**PG Capital Management, LLC**

SEC File Number:

801n/a

Date:

**03/12/2009**
**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
<input checked="" type="checkbox"/>	<input type="checkbox"/>

(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.

**All accounts are monitored on an ongoing basis with a formal review conducted at least annually or as agreed upon with the client. The reviews focus on consistency of portfolio investments with investment objectives and risk tolerances. In addition, investment constraints are considered and tested with portfolio holdings. These constraints include but are not limited to: time horizon, liquidity needs, tax considerations and legal/regulatory constraints and any other unique circumstances. On a quarterly basis, performance is reviewed to monitor consistency with appropriate benchmarks. Thereafter, accounts are reviewed on a transaction, monthly, quarterly or annual basis, as needed. Account reviews may be triggered by potential change (beyond client's needs) including changes in general economic and market conditions, analyst reports, company news and interest rate movement. Paul Gambal is responsible for all reviews and there is no limit to the number of accounts assigned to the reviewer.**

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

**Clients will receive statements from the custodian which outline the clients' current position, security cost basis, and current market value monthly, or quarterly if there is no account activity. Clients also receive performance analysis reports from PG Capital Management, which display the time weighted rates of return realized in the client's account.**

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

**FORM ADV****Part II - Page 6**

Applicant:

**PG Capital Management, LLC**

SEC File Number:

801-n/a

Date:

**03/12/2009****12. Investment or Brokerage Discretion.**

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

(1) securities to be bought or sold? . . . . .

Yes No  
☒ ☐

(2) amount of the securities to be bought or sold ? . . . . .

Yes No  
☒ ☐

(3) broker or dealer to be used ? . . . . .

Yes No  
☒ ☐

(4) commission rates paid? . . . . .

Yes No  
☒ ☐

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 products 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 No  
☒ ☐

B. directly or indirectly compensates any person for client referrals? . . . . .

Yes No  
☐ ☒

(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 No  
☐ ☒

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:	SEC File Number:	Date:
<b>PG Capital Management, LLC</b>	801- n/a	<b>03/12/2009</b>

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:

**PG Capital Management, LLC**

IRS Empl. Ident.No.:

**20-5861228**

Item of Form  
(identify)

Answer

Item 1.D.

PG Capital Management ("PG Capital" or the "Adviser") specializes in the management of value-oriented equity portfolios. Adviser is focused on finding investments in undervalued equity securities for long-term capital gains and consistently applies the principals of Graham and Dodd Value Investing. PG Capital looks for companies trading below the Adviser's assessment of their intrinsic value. Companies identified to be trading below their intrinsic value are generally not mainstream securities popular in the brokerage community. They are generally companies operating in economic sectors that may be depressed, but with solid balance sheets, high levels of management ownership and hidden assets (such as depreciated real estate or tax loss carry forwards). Adviser seeks to achieve long-term investments as opposed to active trading. PG Capital does not use leverage and maintains a portion of the investment portfolio in cash or cash equivalents.

Adviser offers these services on a fee-only basis. The annual fee is based upon a percentage of the market value of the assets being managed by PG Capital and is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Adviser's annual fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last day of the previous quarter on a trade date basis. Adviser uses an independent third-party pricing system which may price certain securities differently than the custodian. Clients may request a detailed explanation of the billing calculation at any time. Fees for the initial quarter will be adjusted pro-rata based upon the number of calendar days in the calendar quarter that the adviser agreement is in effect. All fees are negotiable subject to the discretion of management. The fee schedule is described below.

Assets Under Management	Advisory Fee
\$50,000 to \$4,999,999.99	1.5%
\$5,000,000 to \$24,999,999.99	1.25%
Over \$25 million	1.0%

In addition to Adviser's fee, clients may incur certain charges imposed by third parties such as custodial fees, brokerage commissions, transaction fees, charges imposed directly by a mutual fund or exchange traded fund in the Account, which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), and other fees and taxes on brokerage accounts and securities transactions. The client should review all fees charged by mutual funds, Advisor and others to fully understand the total amount of fees to be paid by the client.

PG Capital utilizes Fidelity Brokerage Services LLC and their affiliate National Financial Services LLC ("collectively, Fidelity"), members NYSE, SIPC, through Fidelity Institutional Wealth Services ("FIWS"), for products and services such as asset allocation planning software and execution, clearing and custodial services, to provide discretionary investment management of client assets. Clients, however, are free to choose other broker/dealers to effect transactions and act as custodian for advisory assets.

PG Capital's Agreement will authorize Adviser to debit the client's account for the amount of Adviser's fee. Quarterly statements provided to client by the custodian will reflect the amount disbursed from the account for management fees paid directly to PG Capital.

The client may make additions to and withdrawals from the account at any time, subject to Adviser's right to terminate an account that falls below its minimum portfolio size. Clients may withdraw account

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:	SEC File Number:	Date:
<b>PG Capital Management, LLC</b>	801- n/a	<b>03/12/2009</b>

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>PG Capital Management, LLC</b>		IRS Empl. Ident.No.: <b>20-5861228</b>
Item of Form (identify)	Answer	
	<p>assets on notice to PG Capital, subject to the usual and customary securities settlement procedures. If a Client withdrawal request necessitates securities liquidation, the proceeds will not be available until two days following the settlement of the liquidating trades. If there will be further delay due to the liquidity of the stock relative to the volume of shares being liquidated, Adviser will notify client at the time of the request for funds.</p> <p>The Agreement between the Adviser and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. PG Capital's annual fee shall be prorated through the date of termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner. Where the advisory client did not receive PG Capital's ADV Part II at least 48 hours prior to signing the client agreement, clients may terminate the engagement within five days without penalty.</p> <p>Clients are advised to promptly notify PG Capital if there are ever any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon the Adviser's management services.</p> <p><b>Proxy Voting Policy</b> In general, PG Capital does not take any action or render any advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which client assets may be invested. In addition, PG Capital does not take any action or render any advice with respect to any securities held in any accounts that are named in or subject to class action lawsuits. PG Capital does, however, forward to clients any information received by PG Capital regarding class action legal matters involving any security held in client accounts.</p>	
Item 5	<p><b>EDUCATION AND BUSINESS STANDARDS</b> All representatives of PG Capital must demonstrate a thorough knowledge of both economic and financial principles as well as the application of such principles. This may be accomplished via business experience, education, passage of securities examination, attainment of professional designations or a combination thereof.</p>	
Item 6	<p><b>EDUCATION AND BUSINESS BACKGROUND</b></p> <p>Paul Gambal, Born 1959 Kenyon College, 1982 A.B. George Washington University 1992, M.B.A.</p> <p>PG Capital Management, LLC - Advisory Representative; Managing Director (11/06 – Present) Aegis Financial Corporation - Advisory Representative; Managing Director (09/94 – 11/06) BGB Securities, Inc. - Registered Representative; Managing Director (06/94 – 11/06)</p>	
Item 9.E	<p><b>PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS</b> PG Capital does not buy nor sell for itself securities that it also recommends to clients. Paul Gambal and any other persons associated with the Adviser ("Associated Persons") are permitted to buy or sell securities that are recommended to clients. The personal securities transactions by Associated Persons may raise potential conflicts of interest when such persons trade in a security that is 1) owned by a client or 2) considered for purchase or sale for a client. PG Capital has adopted policies and procedures that are intended to ensure that Advisory Representatives affect transactions for clients in a manner that is consistent with the fiduciary duty owed to clients and in accordance with applicable law. Associated Persons who wish to purchase or sell securities of the types purchased or sold for clients may do so only in a manner consistent with PG Capital policies.</p>	

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:	SEC File Number:	Date:
<b>PG Capital Management, LLC</b>	801- n/a	<b>03/12/2009</b>

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>PG Capital Management, LLC</b>		IRS Empl. Ident.No.: <b>20-5861228</b>
Item of Form (identify)	Answer	
	<p align="center"><b>CODE OF ETHICS</b></p> <p>PG Capital has adopted a Code of Ethics (the "Code") to address securities-related conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes PG Capital's policies and procedures developed to protect client's interests in relation to the following topics:</p> <ul style="list-style-type: none"> <li>• The duty at all times to place the interests of clients first;</li> <li>• The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the Code of Ethics and to avoid conflicts of interest or abuse of an employee's position of trust and responsibility;</li> <li>• The principle that investment adviser personnel should not take inappropriate advantage of their positions;</li> <li>• The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and</li> <li>• The principle that independence in the investment decision-making process is paramount.</li> </ul> <p>PG Capital provides a copy of the Code to any client or prospective client upon request.</p>	
Item 10	<p><b>CONDITIONS FOR MANAGING ACCOUNTS</b></p> <p>As a condition for starting and maintaining a relationship, PG Capital shall generally impose a minimum portfolio size of \$500,000. Adviser in its sole discretion may accept clients with smaller portfolios based upon certain criteria including anticipated future earning capacity, anticipated future additional assets, account composition, related accounts, and pre-existing clients. Adviser may aggregate the portfolios of family members to meet the minimum portfolio size.</p>	
Item 12A	<p><b>INVESTMENT OR BROKERAGE DISCRETION</b></p> <p>Pursuant to the advisory agreement, PG Capital will maintain limited discretionary authority with respect to investment management of client accounts to (a) buy, sell, exchange, convert or otherwise trade in any approved securities and (b) place orders for the execution of such securities transactions with or through such brokers, dealer or issuers as Adviser may select, subject to the terms of the Advisory Agreement. Clients may impose reasonable restrictions upon the management of the account. PG Capital will not have the authority to withdraw funds or take custody of client funds or securities other than where the client has authorized the deduction of investment advisory fees via a qualified custodian.</p> <p>PG Capital may aggregate orders in a bunched trade or trades when securities are purchased or sold through the same broker-dealer for multiple discretionary accounts. Non-discretionary accounts may not be included in blocked trades for discretionary accounts. Trades for persons associated with PG Capital may be included in the bunched transaction.</p> <p>The portfolio manager for each account must reasonably believe that the bunched order is consistent with PG Capital's duty to seek best execution and may benefit each client participating in the aggregated order. The average price per share of each bunched trade will be allocated to each account that participates in the bunched trade. Upon request, Client may request average price trade details. Accounts that participate in the same bunched trade will be charged commissions, if applicable, in accordance with their advisory contracts. Different accounts participating in a bunched transaction may not be charged the same commission rates.</p> <p>If a bunched order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that does not consistently advantage or disadvantage particular client accounts. Prior to entry of a bunched trade, a</p>	

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:	SEC File Number:	Date:
<b>PG Capital Management, LLC</b>	801- n/a	<b>03/12/2009</b>

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>PG Capital Management, LLC</b>		IRS Empl. Ident.No.: <b>20-5861228</b>
Item of Form (identify)	Answer	
Item 12B	<p>written pre-allocation will be generated which identifies the group of client accounts participating in the order. If the amount to be allocated for each account is not indicated prior to placement of the trade, the Chief Compliance Officer (CCO) must review and approve no later than the morning following allocation of the trade.</p> <p>Changes in allocation prior to final allocation may be made for good cause provided that all client accounts receive fair and equitable treatment. Any changes to the allocation will be documented on the allocation worksheet..</p> <p>As a fiduciary and money manager, the Adviser has an obligation to obtain best execution of client's transactions under the circumstances of the particular transaction. PG Capital will consider the full range and quality of broker's services in placing brokerage including, among other things, the value of research provided as well as execution capability, commission rate, financial responsibility and responsiveness to us as the money manager. The determining factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution for the managed account.</p> <p>PG Capital may recommend that clients establish brokerage accounts with Fidelity to maintain custody of clients' assets and to effect trades for their accounts. PG Capital is independently owned and operated and not affiliated with Fidelity or FIWS. Fidelity provides PG Capital with access to institutional trading and custody services. PG Capital isn't required to commit to any specific amount of business (assets in custody or trading). FIWS's and Fidelity's services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. Fidelity does not charge separately for custody, but may be compensated by account holders through other transaction-related fees for securities trades executed through Fidelity or that settle into client accounts.</p> <p>FIWS and Fidelity also make available to PG Capital other products and services that benefit PG Capital but may not benefit client accounts. Some of these other products and services assist PG Capital in managing and administering client accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of PG Capital's fees from its clients' accounts; and assist with back-office functions, record keeping and client reporting. Many of these services may be used to service all or a substantial number of PG Capital's accounts, including accounts not maintained at through FIWS or at Fidelity. FIWS also makes available to PG Capital other services intended to help PG Capital manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, FIWS may make available, arrange and/or pay for these types of services rendered to PG Capital by independent third parties. FIWS may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to PG Capital.</p> <p>Because PG Capital's compensation may vary depending on the broker-dealer selected, PG Capital may have a conflict of interest in assisting the client in such selection. While as a fiduciary, PG Capital endeavors to act in its clients' best interests, PG Capital's recommendation that clients maintain their assets in accounts through FIWS or at Fidelity may be based in part on the benefit to PG Capital of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by these broker-dealers.</p>	

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:	SEC File Number:	Date:
<b>PG Capital Management, LLC</b>	801- n/a	<b>03/12/2009</b>

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>PG Capital Management, LLC</b>		IRS Empl. Ident.No.: <b>20-5861228</b>
Item of Form (identify)	Answer	
	<p>Notwithstanding such economic benefit, PG Capital strives to serve the best interest of its clients. PG Capital does not warrant or represent that commissions for transactions implemented through Fidelity are lower than commission available if clients use another brokerage firm. PG Capital believes, however, that the overall level of services and support provided to clients by PG Capital outweighs the potentially lower transactions cost available under other brokerage arrangements.</p> <p>The brokerage commissions and/or transaction fees charged by Fidelity or any other designated broker-dealer are exclusive of, and in addition to, Adviser's fee. Factors which the Adviser considers in recommending Fidelity or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research, and service.</p> <p>PG Capital does not warrant or represent that commissions for transactions implemented through Fidelity will be lower than commissions available if clients use another brokerage firm. PG Capital believes, however, that the overall level of services and support provided by Fidelity outweighs the potentially lower transactions cost that may be available under other brokerage arrangements.</p> <p>Client may direct PG Capital, in writing, to utilize a particular broker or dealer to execute some or all transactions for client's account. In such circumstances, client is responsible for negotiating the terms and arrangements for the account with that broker or dealer. PG Capital will not seek better execution services or prices from other broker-dealers. As a result, PG Capital may not obtain best execution on behalf of Client, who may pay materially disparate commissions, greater spreads or other transaction costs, or receive less favorable net prices on transactions for the Account than would otherwise be the case.</p>	
13a	<p>PG Capital participates in the institutional program of Fidelity through FIWS. While there is no direct link between the investment advice given and participation in the program, economic benefits are received. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving advisory participants exclusively, access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client accounts access to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. The benefits received though participation in the program does not necessarily depend upon the proportion of transactions directed to Fidelity.</p> <p>Clients do not pay higher commissions as a result of these products and services furnished by broker-dealers to PG Capital. PG Capital earns no commissions from these transactions in broker-dealer accounts. Nor does Adviser earn 12b-1 fees in connection with the purchase and holding of mutual fund shares. Transaction charges or other charges for services to clients by Fidelity may be more or less than other broker-dealers charge for comparable services. Clients are not required to use a specific broker-dealer to retain the services of PG Capital.</p>	

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