



AP Institutional Advisors, LLC
25 NW Riverside Drive, Suite 202
Evansville, IN 47708
812.402.8040
812.402.8044 fax
www.manageraccess.com

March 31, 2011

This brochure provides information about the qualifications and business practices of AP Institutional Advisors, LLC (“Advisor”). If you have any questions about the contents of this brochure, please contact us at 812.402.8040. 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 AP Institutional Advisors, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Table of Contents

<u>Heading</u>	<u>Page</u>
I. Advisory Business	2
II. Fees and Compensation	3
III. Types of Clients	4
IV. Methods of Analysis, Investment Strategies and Risk of Loss	4
V. Other Financial Industry Activities and Affiliations	5
VI. Code of Ethics	5
VII. Brokerage Practices	5
VIII. Review of Accounts	7
IX. Investment Discretion	7

I. Advisory Business

AP Institutional Advisors, LLC (“Advisor”) was founded in 2007 by Joseph Mehringer and Robert Mehringer. Advisor consults directly with clients with the intention of bundling the separate account strategies offered by Access Partners, LLC (founded in 1999) with ERISA plan investment consulting services. Both firms are owned by principals in the business. Significant principals are Joseph Mehringer and Robert Mehringer, whose biographies are included below.

Joseph Mehringer: Mr. J. Mehringer was born in 1961, graduated from Indiana University earning a BS in Accounting in 1982. He is a Certified Public Accountant and a CFA candidate.

Mr. J. Mehringer has been employed by AP Institutional Advisors, LLC since 2007. He is the President/Managing Director and is responsible for institutional relationships. He leads client consulting services and coordinates the execution of all client activities. Before 2007 he was a pension consulting practice leader with Hewitt Associates and Mercer HR Services for 18 years.

Robert Mehringer: Mr. R. Mehringer was born in 1968, graduated from the University of Evansville earning a Bachelor of Science in Accounting in 1988, and from the University of Chicago in 1992 earning an MBA in Finance. He is also a CFA charterholder.

Mr. R. Mehringer founded Access Partners, LLC in August 1999. He is President and Managing Director of Access Partners, LLC, and is primarily responsible for capital market reviews and guidance. Previously he was an Investment Officer for Old National Trust Company of Evansville, IN.

Stephen Keck: Mr. Keck was born in 1957, graduated with a Bachelor of Science in Management and a Bachelor of Arts in Psychology from Purdue University and earned an MBA from Michigan State University. He is also a CFA charterholder.

Mr. Keck is responsible for leading all aspects of the investment function at Access Partners, LLC and is primarily responsible for oversight of investment manager due diligence. He also serves as the primary liaison between Access Partners, LLC and Evaluation Associates and chairs the Investment Committee. Steve has been with Access Partners, LLC since 2007 and comes from Old National with over 20 years of strategic investment leadership experience. At Old National and its affiliated Signal Capital Management, he was a Senior Vice President, Chief Investment Strategist.

Advisor provides investment consulting services to institutional retirement plans, primarily in fully discretionary investment advisory relationships to their clients (“Client”). Access Partners, LLC provides services about selected investment managers (“Subadvisers”) that will manage

segments of Client's investment portfolio on a discretionary basis through a program sponsored by Access Partners, LLC. Advisor also delegates investment discretion to Access Partners, LLC.

The Advisor assists clients in their completion of their investment policy and/or other written instructions referred to as Investment Guidelines. The Client and Advisor promptly communicates all Investment Guidelines and any changes to Access Partners, LLC and the corresponding Subadvisers.

Access Partners, LLC is responsible for selecting a number of Subadvisers with varying risk and return parameters for participation in the separate account program. Access Partners, LLC is responsible for contracting with the Subadvisers and communicating information from the Advisors and their clients to the Subadvisers. All Subadvisers utilized for a Client's portfolio are investment firms that are independent of Advisor and its affiliates.

II. Fees and Compensation

Advisor is directly compensated by asset-based fees (fees computed as a percentage of assets) or fixed fees determined contractually. These asset based fees and fixed fees are referred to as "Direct Fees." All fees are negotiated. In addition to Direct Fees, Client is responsible and charged for (i) brokerage commissions (see Brokerage Practices section), (ii) interest on debit account balances, (iii) the entire public offering price (including underwriting commissions or discounts) on securities purchased from an underwriter or dealer involved in a distribution of securities, (iv) odd-lot differentials and exchange fees, transfer taxes and other fees required by law, and (v) custodial services.

Compensation for the services provided to the Client is described in each agreement with Advisor. However, Direct Fees for the services provided to Client do not exceed 1.5% of the Client's assets, including Subadviser fees which range from 0.35% to 0.75% of Client's assets.

Fees are calculated and payable quarterly, concurrently, based on the value of the assets in the Client's Account (as determined by Advisor in accordance with industry standards) as of the 15th day of the second month of each calendar quarter or the last business day prior if the 15th is not a business day. For the initial quarter, the fee is calculated on the value of the assets in the Client's account and covers the initial partial quarter (pro rata based on the number of remaining days in such quarter). If the agreement with the Advisor or Client is terminated prior to the last day of a calendar quarter, a pro rata portion, based upon the days remaining in such quarter, of the quarterly fee paid in advance is refunded to the Client. Each Subadviser has its own fee schedule. In the event that more than one Subadviser has been selected, a separate fee is calculated with respect to each Subadviser based on the value of the assets managed by each such Subadviser and the fee schedule applicable to such Subadviser.

Fees and charges payable by Client hereunder, unless otherwise agreed to by the Client and Access Partners, LLC, will be deductible from Client's account on or about mid-quarter of the calendar quarter to which such fee applies. The Client authorizes such deductions and further

agrees that all assets in the account or otherwise held for the Client shall be subject to a lien for the discharge of the fees and additional charges payable by the Client hereunder.

If any deposits to the Client's account during a calendar quarter cause the value of the assets in an Account to increase by 15% or more over or under the value of such assets as of the beginning of such calendar quarter, Advisor will calculate a pro rata additional fee based on the amount of such increase.

III. Types of Clients

Advisor provides investment consulting services primarily to ERISA plans, typically on a discretionary basis. Access Partners, LLC, an affiliated investment advisor, provides services about selected investment managers (Subadvisers) that manage Client's investments on a discretionary basis. Allocations to Subadvisers are customized to Clients' situations and determined primarily by Advisor and Access Partners, LLC.

The minimum Client account size required by Advisor is typically \$3,000,000.

IV. Methods of Analysis, Investment Strategies and Risk of Loss

The Advisor assists Clients in their completion of their investment policy and other written instructions referred to as Investment Guidelines. The Advisor promptly communicates all Investment Guidelines and any changes to Access Partners, LLC and the corresponding Subadvisers. The Advisor is the Client's contact with Access Partners, LLC and the Subadvisers as the Advisor and Client enter into a "Client Agreement".

Access Partners, LLC is responsible for selecting a number of Subadvisers with varying risk and return parameters for participation in the program, and Access Partners, LLC is responsible for contracting with the Subadvisers and communicating information from the Advisor and their clients to the Subadvisers.

Access Partners, LLC uses both quantitative and qualitative criteria in evaluating Subadvisers for participation in the program. These criteria include, but are not limited to:

- Investment Return
- Standard Deviation of Return
- Alpha
- Beta
- Investment Style and Philosophy
- Firm and Product Size
- Professional Investment Staff
- Operational Efficiency

The Advisor, after consultation with Access Partners, LLC, selects Subadvisers to manage Client's assets and may choose to deliver and review supplementary performance reports with Clients, and may choose to provide other consulting services relative to Client's Account.

V. Other Financial Industry Activities and Affiliations

MTC Holding Company, a holding company owning Midwest Trust Company and Financial Counselors, Inc., owns a 50% ownership interest in Access Partners, LLC. Robert Mehringer has a 40% ownership interest in Access Partners, LLC and a 49% ownership interest in AP Institutional Advisors, LLC. Access Partners, LLC has many trust company relationships that provide custodial and bond management services for other clients.

As stated in the Brokerage Practices section, soft dollar payments received from executing brokers are used for, among other things, money manager research and selection in connection with retaining or hiring Subadvisers. Much of this work is performed by AP Consulting, LLC, a wholly owned entity of Access Partners, LLC.

VI. Code of Ethics

Each individual in our firm agrees to abide by the CFA Institute code of ethics. We provide copies of the code of ethics to any Advisor or Client or prospective Client upon request.

VII. Brokerage Practices

AP Institutional Advisors, LLC bundles the separate account management program sponsored by Access Partners, LLC. The program is substantially more complicated than a traditional advisory or money management business. Access Partners, LLC, either directly or through its affiliates, provides investment due diligence, pre-negotiated money manager contracts, marketing support, asset allocation and technology interfaces for Advisor. The due diligence Access Partners, LLC provides to the Advisor is for both separate account managers and also mutual funds. Access Partners, LLC creates a preferred contractual relationship with appropriate Subadvisers that reflects the Subadviser's expectation of wide spread distribution across many organizations.

Critical to Access Partners, LLC in negotiating the discounted fee rate with Subadvisers and reduced minimum account sizes with each Subadviser is the ability to deliver an efficient operational process to the Subadviser. Each Subadviser is managing accounts that are custodied at multiple Advisors. Access Partners, LLC must have the systems in place between the Subadviser and each Advisor for the relationship to be able to exist. The lowest cost per trade is not the sole determining factor on selection of a broker. Rather, Access Partners, LLC must have a broker that is effectively able to block trades executed by a Subadviser and fragment the trades by the grouping of accounts at each Advisor. Additionally, the quality of the broker execution

includes the broker's ability to effectively transmit and settle trades using the automated process developed by Access Partners, LLC.

Most trades are executed at 4 cents per share. If Access Partners, LLC requires the Subadviser to block trades by Client, the executing broker will charge a much higher fee to manage the accounts or will not do it at all. Access Partners, LLC believes it is able to deliver a more efficient and cost effective service by tying all parties together with its trading and systems connection.

Client's account utilizes various executing brokers depending on the type of security and type of trade activity occurring. The cost of equity trades utilizing conventional institutional-type executing brokers is usually 6 cents per share. Utilizing the Access Partners, LLC technology platform for administering Client's account, trading costs are able to be reduced for most trades to 4 cents per share by utilizing Edgetrade, Instinet or other electronic clearing services (collectively, the "ECS"). As part of this arrangement, the ECS partially covers, in Soft Dollar Payments, the cost of the technology platform needed to utilize efficiently their services and also covers the cost of other investment research services provided by affiliated and unaffiliated firms providing services on Client's account. It is Access Partners, LLC's belief that, as explained above, by utilizing the ECS, Client's account is incurring the same or lower trading costs than if conventional executing brokers were utilized on all trades. However, because the ECS has agreed to pay Access Partners, LLC in Soft Dollar Payments for its technology interface for Client's account and for other services, Access Partners, LLC may have an incentive to continue to use the ECS to effect transactions in Client's account, regardless of cost per trade. As part of reasonably allocating shared costs across clients, Client relationships with over \$15,000,000 of equities are eligible for a portion of their trading costs to be returned to their accounts due to their much larger number of shares per trade.

ECS responsiveness is absolutely necessary for the Advisor to be able to use the Subadvisers through the program. This responsiveness has become the main priority in implementing the program through Access Partners, LLC. While Access Partners, LLC could possibly obtain a lower cost per trade, Access Partners, LLC believes it could not do so and still efficiently run the program.

Most orders for the Client's account are entered at the direction of Subadviser, an entity independent of Access Partners, LLC and Advisor. Order processing and execution is facilitated by Access Partners, LLC, including the selection and utilization of certain appropriate pre-determined independent brokers. Client pays for costs of trade execution separate and in addition to the account fee. Advisor may directly place orders for the account through Access Partners, LLC or the custodian trading desk (primarily for ETF transactions).

Soft dollars paid by ECS in 2010 are estimated at \$491,000. Of this amount, \$72,000 was directed to the payment for capital market research and supplementary investment information obtained from Evaluation Associates, LLC. \$72,000 was directed to FiServe for the APL System cost. \$17,000 was directed to Informa and Crandall-Pierce for investment analytical software and statistical data. \$330,000 was paid to AP Consulting, LLC with \$130,000 of the amount for the provision of trading execution, technology updates, operations for facilitating

daily trade data transfer and daily reconciliation of settlements. The remaining \$200,000 paid to AP Consulting, LLC was for due diligence of Subadvisers. Additionally, the Soft Dollar Payments from the ECS paid to AP Consulting, LLC in 2009 and 2008 were \$282,500 and \$243,165, respectively.

Access Partners, LLC uses the ECS to execute trades. Sometimes a Subadviser deems it necessary to utilize other broker-dealers to execute program trades, for example, in the case of thinly-traded stocks. When a Subadviser uses a different broker-dealer, the Subadviser places a trade through its own trade desk and the Subadviser has the executing broker “step out” of the portion belonging to program portfolios to the ECS. In essence, the Subadviser has the executing broker give up the trades to the ECS, who assess any related commissions and confirm the transaction to Access Partners, LLC and the Client or Advisor. The Client is not assessed a commission by the executing broker-dealer. The Client and Advisor are usually unaware that a broker other than the settling ECS actually executed the trade. Access Partners, LLC and the Subadviser use the step outs so that it is easier to facilitate the settlement process.

In no event does Access Partners, LLC or any Subadviser effect any transaction for the Client which they believe would violate any applicable state or federal law, rule or regulation, or of the rules or regulations of any regulatory or self-regulatory body.

VIII. Review of Accounts

The Advisor reviews Client accounts through the Custodian’s system and provides the Client with quarterly activity statements and other documentation as agreed to or under their applicable rules. Additionally, Access Partners, LLC furnishes supplemental manager reporting when requested.

Client understands and agrees that funds held pending investment may be temporarily invested in a money market fund. Client acknowledges that it will bear a proportionate share of the expenses of those money market funds in which assets of the Client are invested.

IX. Investment Discretion

Advisor typically provides fully discretionary investment advisory services to the Client. Access Partners, LLC provides services about Subadvisers that will manage client’s investments on a discretionary basis. Advisor delegates investment discretion to Access Partners, LLC who consults with Advisor. Advisor and Access Partners, LLC make best efforts to follow the investment policy adopted by the Client that establishes the Client’s investment parameters to be followed.