

Firm Brochure (Part 2A of Form ADV) July 31, 2011

KNELMAN ASSET MANAGEMENT GROUP, LLC

225 South Sixth Street, Suite 3390
Minneapolis, Minnesota 55402
(612)-341-8197

This brochure provides information about the qualifications and business practices of KNELMAN ASSET MANAGEMENT GROUP, LLC (KAMG). If you have any questions about the contents of this brochure, please contact us at (612)-341-8197. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

KAMG is an SEC-registered investment adviser. Registration of an adviser with the SEC does not imply a certain level of skill or training.

Additional information about KAMG also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

This Item is not required for the initial brochure prepared in connection with KAMG's 2011 annual update. In the future, this Item will discuss only specific material changes that are incorporated in the brochure since KAMG's last annual update and will provide clients with a summary of such changes.

Form ADV, Part 2A

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Kip Knelman

David Lettenberger

Seth P. Heimermann

Shane Lines

Item 4 - Advisory Business

Knelman Asset Management Group, LLC (“KAMG”) was founded in 2000 by its current owner, IP (Kip) Knelman. Prior to starting the firm Knelman was associated with IAI for close to 20 years. IAI was an institutional money management firm that managed approximately \$18 Billion dollars at its height. He retired in 1998 as CEO. Early in 2005 Lazard Asset Management acquired the firm, and KAMG became part of Lazard Asset Management. Knelman became the head of growth equity for Lazard Asset Management. In December of 2008 Knelman reacquired the firm back from Lazard. It currently operates as an independent investment management firm.

Knelman is the sole owner of the firm and owns 100% of its equity. The firm provides relative growth investment strategies to institutional pension and profit sharing plans, taxable families and individuals, and also acts as a sub-advisor to third party platforms. In addition KAMG manages taxable and tax exempt fixed income, primarily for taxable clients and institutional accounts that utilize the firms balanced investment strategy. Balanced portfolio management is also offered to taxable and tax-exempt clients. The firm’s growth equity strategies include Large Cap Growth, All Cap Opportunistic, and Small Cap Growth. The latter strategy was started in June 2011. KAMG only manages money on a fully discretionary basis and makes all investment decisions for client accounts.

KAMG is not a broker dealer and does not custody assets for clients. When asked by clients for asset allocation advice KAMG will provide that as a service, but does not provide any retirement or tax planning, financial planning, insurance needs or other financial offerings. KAMG will discuss with each client their investment objectives and guidelines to make certain that there is an appropriate fit for KAMG to manage a portion if not all of the assets of the client. From time to time, clients may have certain restrictions as to the type of stocks or fixed income instruments they will allow a manager (hypothetically KAMG) to invest in the portfolio. KAMG documents these restrictions and they become part of the client’s investment guidelines. KAMG utilizes a model portfolio for its equity strategies whereby all clients will have the same holdings with the exception of clients that have specific restrictions which would preclude them from owning a part of the model portfolio.

KAMG may provide sub advisory investment management services (wrap accounts) sponsored by unaffiliated financial service firms such as investment advisors and broker dealers. Under this arrangement a client of the sponsoring financial institution will be able to obtain professional investment management and transaction execution for a single fee. Each wrap fee program sponsor sets its own fee for clients participating in the program and will pay KAMG for its advisory services rendered to the client out of the fees it charges to its clients. This fee that KAMG receives will be negotiated with the program sponsor and may be affected by the size of the accounts being managed and the nature of the investment objectives being utilized by KAMG in connection with the program. Fees may vary from the schedule of fees set forth in item 5 below, and from program to program. Fees charged to clients in a wrap fee program are set forth in a sponsor’s disclosure document, which is delivered to clients by the wrap fee sponsor at the start of the client relationship. Wrap fee programs that KAMG currently participates in are identified in its form ADV Part 1A, which is available at the SEC’s website at www.advisorinfo.sec.gov.

As of June 30, 2011, KAMG managed approximately \$112 million dollars in assets on a discretionary basis.

Rancho Partners I was formed in 2000. This Fund of Funds LLC and the membership interests have not been and will not be registered under the Securities Act of 1933. This fund of funds is closed to new members and is in the final stages of its life.

Item 5 - Fees and Compensation

KAMG's management fees for its advisory services depends on the portfolio management style employed, and in any case, is based on the market value of the account assets (comprising securities, cash and money market balance).

Schedules

Taxable Clients

Equity & Balanced	1% P/A
Fixed Income	0.5% P/A

Tax Exempt Clients

Large Cap Growth	0.75% first \$25M
All Cap Growth	0.75% first \$25M
Small Cap Growth	1% P/A
Fixed Income	0.50%

KAMG will group multiple accounts of one client relationship together for purposes of calculating a negotiated fee. Clients may authorize KAMG in the investment management agreement to deduct advisory fees directly from the client's custodial account. It is the client's responsibility to review the advisory fees included in the account statements provided by the custodian.

KAMG's management fees do not include transaction costs, custodial fees or other investment expenses. More information on these types of fees is included in item 12, "brokerage practices".

Management agreements may be terminated upon written notice and is typically a 30 day cancellation policy.

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

Currently KAMG does not have any performance-based fee arrangements with any of its clients.

Item 7 - Types of Clients

KAMG manages investment accounts for individuals, trusts, estates and institutional clients including pension and profit sharing plans, corporations, endowments, and foundations. KAMG may also provide investment advice to common trust funds and collective investment funds maintained by banks or trust companies. In addition, KAMG may serve private investment companies, such as private limited partnerships and private limited liability companies, and offshore investment funds.

Generally, for separate accounts, KAMG requires a minimum account size of \$250,000 and reserves the right to change the account minimum at any time and without notice. KAMG may make exceptions to this minimum based on client type, a pre-existing relationship with the client or other factors. Clients that participate in wrap fee and similar programs described in Item 4, above, may not be subject to KAMG's minimum account thresholds.

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

Equity Strategies:

KAMG utilizes the same relative growth strategies for large cap, all cap and small cap growth. KAMG is a quality growth manager. Investing in equity securities involves the risk of loss of principal that clients should be prepared to bear.

The primary difference amongst the three equity strategies is the range of market capitalization in each strategy. The large cap growth equity strategy invests in large quality growth names with market capitalizations typically above \$3 billion. The all cap opportunistic growth strategy has a wide opportunity set that can invest in small cap names, mid cap names and large cap names, with capitalizations that would typically be greater than \$100 million. Finally, the small cap growth strategy invests in smaller capitalized companies with market capitalizations of \$3 billion or less at the time of purchase.

Equity strategy:

Quantitative Research (Fundamental)

The process begins with a number of quantitative screens that are designed to identify companies with growth characteristics important to the team. The multi-factor models utilize investment metrics that the firm believes are important in identifying growth opportunities. Combined with the "screenings" of companies identified by the investment team, the group will have a good number of companies to evaluate more thoroughly.

The process has no negative bias in terms of where (sectors) ideas will be sourced. Growth is key in the process, but it is relative growth. The investment professionals are looking for changing conditions within the company that will drive both top and bottom line growth in the future.

The catalyst for most investments is changing/accelerating and/or sustainable revenue and earnings growth. Margin expansion and a company's operating momentum is also extremely important. Valuation metrics will include forward P/E, Price/Sales, Price/Growth, and free cash flow yield.

Qualitative Analysis

Qualitative analysis supplements the team's fundamental research. Validating their assumptions, the investment team seeks to confirm company fundamentals through discussions with their network of contacts. Qualitative analysis includes the assessment of the depth and capabilities of company management, how management has developed and implemented a successful business model, and how they have adapted to various market conditions. The team also looks at competitive advantages a company may have, which might include intellectual property, patents, and barriers to entry. They also look for companies

with management teams that have proven, successful track records or that can act as catalysts for positive changes in their companies.

Credit Cycle Analysis

Part of the investment process is establishing our view on the credit cycle and how that will impact the economy over time. The founder and senior investment professional at the firm is responsible for the credit cycle analysis. Credit cycle analysis is one component of the process, but does not drive the process. Credit cycle analysis is the interaction between the Federal Reserve and the real economy. Credit cycle analysis can identify the stage we are in within the credit cycle and how current Federal Reserve policies will impact economic activity. What is difficult to determine is the duration each phase of the credit cycle plays over time. Investment professionals will continually test the credit cycle assumptions with current portfolio holdings.

Relative Valuation Process

Relative valuation is the process that helps the team establish price targets for each company. Relative valuation will compare metrics (current and past) that we believe are appropriate to analyze a company, with comparisons made to the company's historical valuation as well as to the valuation of its peer group and the overall market. Based on these comparisons, we can then make appropriate assessments of a company's fair value.

While the process is primarily driven through bottom up stock selection the firm does have decision rules in terms of portfolio construction. The investment team believes it can find growth opportunities in virtually all economic sectors and therefore will have a somewhat diversified portfolio in terms of names and where they reside from a sector directive. There will be roughly 55-65 names in the portfolio and the firm makes an attempt to have meaningful overweight's in what they believe have the highest conviction names within the overall portfolio. We will never have more than 1.5x the weight of the largest sectors that are represented in the strategy's relevant benchmark, and make an attempt to have at least .5x the weighting of those sectors in the portfolio. Historically the firm has never violated the former but if it cannot find names that represent good growth opportunities there will be times in which it will have less than .5x the weighting in the largest sectors. For those sectors that are less significant in the benchmark we can have anywhere from 0-4x the weighting. Typically a holding will not be greater than 5% of the portfolio, however if the benchmark weight of a company is significant and in order for us to make a conviction that in the stock it may very well be over 5%. The portfolio construction process is driven by fundamental techniques.

Prospective clients should know that volatility within the small cap and all cap growth strategies may be higher relative to the large cap growth strategy. This is the result of investing in smaller names that historically have carried more volatility compared to large capitalized companies. In addition, because of market capitalization and ownership concentration smaller stocks may trade more thinly and may have a more limited public float than more established companies. Share prices may fluctuate and have more volatility. Clients that utilize the small cap growth strategy and the all cap opportunistic growth strategy should be willing to accept higher volatility.

The equity strategies deployed by KAMG do not include any market timing strategy and portfolios are typically fully invested at all times. When there is cash in the accounts it is typically the result of cash from sales of securities that have not been reinvested at that point in time.

Balanced Investment Strategies

KAMG manages balanced portfolios for clients that include stocks and bonds. All portfolios are invested in dollar denominated securities. There are no purchases of any non- U.S. security in their local currency. Each client that utilizes a balanced investment strategy with KAMG will have a portfolio asset allocation strategy consistent with their specific investment rules and objectives. As a result there may not be a consistent asset allocation strategy for balanced portfolios as each client may have different asset allocation minimum/ maximum ranges for the asset classes utilized. The typical two asset classes that are utilized in the balanced strategies are US equities and US fixed income. All portfolios are individually managed for the long term. Investing in equity and fixed income securities involves the risk of loss of principal that clients should be prepared to bear.

Fixed Income Strategies

KAMG will utilizes a fixed income strategy that is based off of its credit cycles analysis. The credit cycle is the relationship between the central bank (Federal Reserve) and the real economy. Central bank policies and fiscal policies set by Congress and the President impact both the credit cycle and the amount of slack there is within the economy. The cycle is typically repeatable as to the sequence of events, cycle over cycle, but it is the duration of those events that is difficult to forecast. Fixed income strategy is driven off of credit cycle analysis. Decisions on the quality, duration, maturity and the credits are based on credit cycle work. All bonds are of investment grade quality and are US dollar denominated. Investing in fixed income securities involves the risk of loss of principal that clients should be prepared to bear.

Types of investments:

KAMG offers investment advice on domestic equities and at times this includes ETFs. ADRs will be used from time to time in KAMG's investment strategy but typically do not make up more than 5% of total portfolio. From time to time clients will ask KAMG to hold certain securities which are treated by KAMG as unsupervised assets. KAMG expresses no opinion on these holdings. Cash balances are generally invested in money market funds available through the client's custodian.

KAMG also offers investment advice on US dollar denominated fixed income instruments that are both taxable and tax exempt securities. These bond investments will include U.S. Government and Agency notes and bills, finance, utility and corporate credits.

Risk of Loss

Risk of loss is inherent in any investment securities. Past performance does not guarantee future results, and there is no guarantee that your investment objectives will be achieved. Your account may be subject to the following risks:

Management Risk. KAMG and its portfolio managers will be delegated the authority to buy and sell securities on your behalf. You must rely upon the manager's abilities and judgment and upon their investment abilities. There is no guarantee that the portfolio manager's investment techniques will be successful.

Equity Securities Risk. Common stocks and other equity securities generally increase or decrease in value based on the earnings of a company and on general industry and market conditions. The value of a company's share price may decline as a result of poor decisions made by management, lower demand for the company's services or products or if the company's revenues fall short of expectations. There are also risks associated with the stock market overall. The stock market may experience periods of turbulence and instability. In addition, investment in smaller capitalized companies generally involves a higher degree of risk than investing in securities of larger companies. KAMG's strategies include small cap growth therefore clients need to know that those strategies will at times be more volatile than strategies that are utilizing its large cap growth and all cap growth. Prices of smaller companies are generally more volatile than those of larger companies and will have less market liquidity. They may be more likely to be adversely affected by poor economic or market conditions.

Fixed Income Securities Risk

Prices of fixed income securities react to changes in interest rates. As rates move up the prices of bonds move inversely and most likely will go down in value. Interest rate moves can be volatile at times and clients need to be aware that prices can change rather quickly. Despite receiving income from fixed income instruments the prices of bonds can decline based on credit issues of the company or a rise in interest rates. Government securities can lose value due to potential sovereign default. Non-government credits can lose value and are at greater risk if audit agencies downgrade their audit ratings. Municipal bonds can also face significant loss of principal, if audit agencies downgrade their credit ratings.

Item 9 - Disciplinary Information

There have been no legal or disciplinary events involving KAMG or any of our employees involving investments or investment-related activities or that are otherwise material to a client's evaluation of our advisory business or the integrity of our management.

Item 10 - Other Financial Industry Activities and Affiliations

KAMG is an independent investment adviser wholly-owned by IP (KIP) Knelman. We are not affiliated with any other financial services firms.

Item 11 - Code of Ethics, Participation or Interests in Client Transactions and Personal Trading

KAMG maintains a Code of Ethics (the "Code") which governs all employees and requires them to adhere to the highest standards of business conduct. It is KAMG's policy for each client's interest to come before that of KAMG and its employees. The Code addresses KAMG's policies relating to compliance with laws and regulations, conflicts of interest, confidentiality, gifts and entertainment, personal trading and reporting and insider trading, and is intended to assist employees in carrying out

their duties as fiduciaries to clients. Neither KAMG nor persons associated with KAMG may benefit personally or trade for their own accounts on the basis of material non-public information. KAMG requires employees to pre-clear all personal securities transactions, subject to specific exceptions set forth in the Code. Although KAMG believes the procedures set forth in the Code are appropriate to eliminate or mitigate potential conflicts of interest, clients should be aware that no set of procedures can anticipate or relieve all potential conflicts. A copy of the Code is available upon request to KAMG.

KAMG has specific rules covering related persons investing in the same securities that have been purchased by clients. The following restrictions apply to trading for personal securities accounts of covered persons and related persons: Transactions in personal trading accounts for employees or their families are allowed as long as they don't occur prior to a similar transaction in a client account. Transactions that occur in clients accounts are permissible and personal accounts concurrent to client transactions, only when the personal account is non discretionary and is managed to the same model as the clients. For all other personal accounts, a three day black out period will be enforced following transactions performed in client's accounts. As a result of this clients should be aware that KAMG may have a conflict of interest that could affect productivity of its advice. When personal accounts that are nondiscretionary and managed in the same model as the clients, trades will be incorporated in the same trade lot as other like accounts. There is no guarantee that each account including the personal accounts will have the exact same execution price, which is the responsibility of the broker dealer that has been selected to execute the trade.

Item 12 - Brokerage Practices

In the absence of written client direction, KAMG exercises discretion in the selection of broker-dealers ("brokers") for the execution of trades. In placing trades, KAMG's overriding objective is to obtain the best qualitative execution for the managed account. In essence, this means that KAMG seeks to execute securities transactions for clients in such a manner that the client's total cost or total proceeds in each transaction is the most favorable under the circumstances. When evaluating brokers, KAMG considers such factors as:

- the value of the research provided;
- the commission rates charged;
- the ability to negotiate commissions;
- the ability to obtain volume discounts;
- execution capability;
- financial responsibility;
- responsiveness to KAMG;
- the terms and conditions specified by the client or portfolio manager;
- size of the order; and
- depth and liquidity of the market for the security.

While KAMG seeks reasonably competitive commission rates, a client may not pay the lowest commission or spread available on any particular transaction. KAMG has adopted procedures to ensure that its duty of best execution is being met. KAMG's Investment Committee and a head trader meet on a quarterly basis and is responsible for monitoring the firm's trading practices and periodically reviewing and evaluating the services provided by brokers and the quality of executions, research,

commission rates, and overall brokerage relationships.

Soft Dollar Arrangements

As permitted by Section 28(e) of the Exchange Act, KAMG engages in the long-standing investment management industry practice of paying higher commissions to brokers who provide brokerage and research services than to brokers who do not provide such services, if such higher commissions are deemed reasonable in relation to the value of brokerage and research services provided. These types of transactions are commonly referred to as “soft dollar transactions.” Two different types of research services are typically acquired through these transactions: (i) proprietary research services offered by the broker executing a trade and (ii) other research services offered by third parties through the executing broker. Research services that may be obtained by KAMG through soft dollar transactions include, but are not limited to:

- economic, industry or company research reports or investment recommendations;
- subscriptions to financial publications or research data compilations;
- compilations of securities prices, earnings, dividends and similar data; and services of economic and other consultants concerning markets, industries, securities, economic factors and trends.

These research services enable KAMG to supplement its own research and analysis used in connection with providing advice to its clients as to the value of securities, the advisability of investing in, purchasing or selling securities, and the availability of securities or purchasers or sellers of securities; the furnishing to clients of analyses and reports; and the effecting of securities transactions and performing functions incidental thereto (such as clearance and settlement) on behalf of clients.

To the extent that KAMG uses client transactions to obtain research or other products or services that KAMG could otherwise purchase for cash, KAMG receives a benefit because we do not have to produce or pay for such research, products or services. As a result, KAMG may have an incentive to place more trades or pay higher commissions than would otherwise be the case due to our interest in receiving these benefits, rather than our client’s interest in receiving most favorable execution. However, KAMG monitors this potential conflict of interest through its Investment Committee, which reviews all trading practices, including soft dollar arrangements.

Soft dollar transactions are not effected pursuant to any binding agreement or understanding with any broker regarding a specific dollar amount of commissions to be paid to that broker. However, KAMG does in some instances request a particular broker to provide a specific research service, which may be proprietary to that firm or produced by a third party and made available by that firm. In such instances, the broker in agreeing to provide the research service frequently will indicate to KAMG a specific or minimum amount of commissions which it expects to receive by reason of its provision of the particular research service. Although KAMG does not agree to direct a specific or minimum commission amount to a firm in that circumstance, KAMG does maintain an internal procedure to identify those brokers who provide it with research services and the value of such research services, and endeavors to direct sufficient commissions to ensure the continued receipt of research services KAMG believes are useful in managing client accounts.

Research or brokerage products or services provided by brokers may be used by KAMG in servicing any or all of its clients, and such research products or services may not necessarily be used by KAMG in connection with client accounts which paid commissions to the brokers providing such product or service. In recognition of these factors, clients may pay higher commissions to brokers than might be charged if a different broker had been selected, if, in KAMG's opinion, this policy furthers the objective of obtaining best price and execution. In addition, KAMG does not modify or reduce its fees based on the amount of brokerage or research services it receives from soft dollar transactions.

In the event KAMG obtains products or services on a soft dollar basis for a mixed-use (e.g., for both research and non-research purposes), KAMG will make a reasonable allocation of the cost between that portion which is eligible as research and that portion which is not so qualified. The portion eligible as research may be paid for with soft dollars and the non-eligible portion will be paid for with KAMG's own funds. This allocation decision may present a conflict of interest to KAMG because it is deciding how much the firm will pay in cash. KAMG's compliance procedures require that such allocations be made in good faith.

Directed Brokerage

Clients may designate, in writing, a broker through which securities transactions should be effected for their accounts. KAMG views the designation of a broker by the client as an implicit direction of commissions generated by the client account. Designation of a broker may cause the client to pay higher transaction fees than otherwise may be available and may serve as a consideration in referring business to KAMG. In addition, KAMG may not be authorized under those circumstances to negotiate commissions and may not be able to obtain volume discounts or best execution. Under these circumstances, a disparity in commission charges may exist between the commissions charged to clients who direct KAMG to use a particular broker and those clients who do not. Accordingly, directed brokerage may cost you more money. When a client has directed KAMG to provide a given amount of commissions to a specific broker in return for the provision of a service by that broker to the client (i.e., a "step-out" transaction), KAMG will follow directions in such manner as it deems to be consistent with its contractual and legal responsibilities. Clients should consider the implications of any fiduciary laws, including ERISA, applicable to such clients prior to designating a broker for execution of trades.

"Step-Out" Brokerage Transactions

KAMG may engage in "step-out" brokerage transactions subject to best price and execution. Generally, in a "step-out" transaction, KAMG directs a trade to a broker with an instruction to execute the transaction, but "step-out" a portion of the transaction to a second broker who clears and settles that portion of the trade. Each broker in a step-out transaction receives a commission based on that portion of the transaction that it clears and settles. KAMG may engage in step-out transactions to satisfy directed brokerage arrangements for its client accounts, to pay commissions to brokers who supply research services to KAMG and/or to improve trade execution. KAMG may have an incentive to engage in step-out transactions to generate additional commissions or soft dollars, which may create a conflict of interest. However, KAMG monitors this potential conflict of interest through its Investment Committee, and its head trader which reviews all trading practices.

Trade Allocation and Aggregation

For most clients using KAMG's equity strategies a model portfolio is utilized. Clients will have block trades allocated on a pro-rated basis. KAMG renders investment management advice to clients who may or may not have investment policies or objectives similar to those of other clients that utilize the model portfolios. Because of this clients should expect dispersion in investment performance among individual accounts and between any individual account and a composite of individual accounts.

Occasionally, KAMG has the opportunity on a very limited basis to acquire shares sold through IPOs. KAMG's policy is to allocate such shares among eligible accounts based on criteria such as available cash, existing positions and brokerage restrictions.

KAMG may decide to combine orders for various accounts into a block trade that may be effected either in one transaction or in several discrete transactions over a period of time. In the latter case, the combined order may be executed at more than one price. Allocation decisions will be made fairly and equitably as to all clients. While commission costs may be generally lower, the contemporaneous purchase or sale of the same securities by client accounts could have detrimental effects on accounts, as such purchases or sales may affect the price paid or received or the size of the position obtainable by each. Certain clients may not be included in certain aggregated transactions because of cash availability, tax consequences or other factors.

For fixed income accounts KAMG will receive more than one bid from brokers before securities are sold within a portfolio. Based on the client's investment objectives and guidelines not all clients will buy the same fixed income securities.

Wrap Free Programs

As discussed in Item 4, above, KAMG may be retained under a wrap fee billing arrangement offered by unaffiliated financial services firms, such as investment advisors and brokers. For example, at the request of a client, a broker might arrange for retention of KAMG as investment advisor, pay KAMG's management fee on behalf of the client, monitor and evaluate KAMG's performance, execute the client's portfolio transactions without separate commission charge, and provide custodial services for the client's assets, or provide any combination of these or similar services, for an all-inclusive fee paid by the client to the broker. In evaluating such a billing arrangement, a client should recognize that brokerage commissions for the execution of transactions in the client's account by that broker are not negotiated by KAMG. Transactions are effected without separate commissions, and a portion of the wrap fee may be considered as a fee in-lieu-of commissions. The client should also consider that, depending upon the level of the wrap fee charged, the amount of the portfolio activity in the client's account, the custodial, trading and execution costs, and other factors, the wrap fee may or may not exceed the aggregate cost of such services (i) if they were to be provided separately and (ii) if KAMG were free to negotiate commissions and to actively seek best price and execution of transactions for the client's account. Accounts managed by KAMG generally have a lower portfolio turnover rate than accounts managed in other investment styles.

Generally KAMG's advisory fee for a wrap fee account is paid to KAMG directly by the broker. KAMG does not receive any portion of the broker's remuneration. In certain cases, the broker may receive a portion of KAMG's advisory fee. The custodial broker will generally act as the broker with respect to transactions placed by KAMG on the client's behalf and may, if permitted by law, act as

principal or as agent for a wrap fee client while also representing another of its customers in the transaction.

Because the client pays a fee that covers commissions and other trading costs at the custodial broker, to avoid redundant expense, it is contemplated that KAMG will place substantially all portfolio trades with or through the custodial broker. This fee arrangement may cause KAMG not to search as actively among other brokers for best execution. In addition to transactional charges, including commissions, on trades placed with other brokers, a wrap fee generally does not cover, and the client pays separately for, among other things, bid-ask spreads, odd-lot differentials, exchange fees, transfer taxes, and money market fund fees, if applicable.

Trade Errors

As a fiduciary, KAMG has the responsibility to effect trade orders correctly, promptly and in the best interests of our clients. In the event any error occurs in the handling of any client transactions, due to KAMG's actions, or inaction, or actions of others, KAMG's policy is to seek to identify and correct any errors as promptly as possible without disadvantaging the client or benefiting KAMG in any way. If the error is the responsibility of KAMG, any client transaction will be corrected and KAMG will be responsible for any client loss resulting from an inaccurate or erroneous order. Generally an error resulting in a benefit to a client account, which cannot be corrected, will inure to the benefit of the client.

Item 13 - Review of Accounts

Typically, client portfolios are reviewed on an ongoing basis as a matter of practice rather than pursuant to a triggering factor. KAMG is not a financial planner. KAMG manages assets allocated to it by the client and/or the client's financial professional generally for long-term capital appreciation. KAMG's Investment Committee, including IP (Kip) Knelman (Chief Investment Officer), David Lettenberger (Senior Portfolio Manager), and Seth Heimermann (Research Analyst), supervises security selection and oversees portfolio reviews, with assistance from sales professionals and administrative personnel. The number of portfolios assigned to a manager varies depending on the size and nature of the portfolio.

Clients receive monthly or quarterly written account appraisals and performance reports from KAMG, including percentage gain or loss (time weighted calculations) and a year-to-date summary of realized gains and losses. KAMG communicates strategy through periodic newsletters, telephone calls, personal consultations, electronic communications and client meetings. Special reports may be prepared to meet specific client requirements. Clients also receive account statements from their custodian at least quarterly.

Item 14 - Client Referrals and Other Compensation

Other than the soft dollar benefits disclosed in Item 12, above, and as otherwise disclosed in this Item 14, KAMG does not receive commissions or any other economic benefit from a non-client in connection with providing advice to clients. KAMG may compensate persons who solicit clients for the investment advisory services provided by KAMG based on fees received by KAMG with respect to the client referred. KAMG will comply with Rule 206(4)-3 of the Investment Advisers Act of 1940, as

amended, with respect to the payment of such fees.

KAMG may from time to time sponsor charitable or industry events at the request of an organization or individual that has referred a client to KAMG, or KAMG may provide gifts of value (including charitable donations) to organizations or individuals that refer clients to KAMG.

Item 15 - Custody

KAMG does not act as custodian for any client accounts; however, KAMG may be deemed to have custody to the extent that it may deduct advisory fees from a client's account. All clients must appoint a qualified custodian, such as a broker, bank or trust company, to have possession of the assets of the account, to settle transactions for the account and to accept instructions from KAMG regarding the assets in the account. All clients receive quarterly account statements directly from the custodian.

Item 16 - Investment Discretion

In most cases, KAMG is granted a limited power of attorney as part of the investment management agreement to trade securities in managed accounts. Accordingly, KAMG generally exercises investment discretion as to securities purchased and sold and the amount of such transactions within the guidelines set forth in Item 8, above. Investment limitations may be placed by the client as outlined in the investment management agreement or an investment policy statement or client questionnaire.

Item 17 - Voting Client Securities

Unless otherwise agreed in writing, KAMG will vote proxy ballots for securities held as client accounts. KAMG will vote all proxies in the best interest of clients. Generally, KAMG supports management on proxy proposals, but compensation and control proposals in particular are scrutinized and opposed if not in the best interests of shareholders. Should an issuer proposal involve a material conflict of interest between KAMG and its clients, KAMG will follow the guidelines contained in its proxy voting policies and procedures designed to mitigate or eliminate the conflict including:

- voting the securities based on a pre-determined voting guideline if the application of that guideline to the matter presented involves little discretion on the part of KAMG;
- voting the securities based upon the recommendations of an independent third party, such as a proxy voting service;
- referring the proxy to the client or to a fiduciary of the client for voting purposes;
- suggesting that the client engage another party to determine how the proxy should be voted; or
- disclosing the conflict to the client and obtaining the client's direction to vote the proxies.

A complete copy of KAMG's proxy voting policies and procedures, as well as information as to how KAMG voted proxies on your behalf, is available upon written request.

Item 18 - Financial Information

KAMG does not have any financial condition that would impair our ability to meet contractual commitments to clients. A balance sheet is not required to be provided because we do not require prepayment of more than \$1,200 in fees per client, six months or more in advance.

Item 19 - Additional Information

Legal Proceedings

KAMG will not act for clients in any legal proceedings, including bankruptcies or class actions, involving securities either held or previously held in accounts or the issuers of such securities. Clients are responsible for knowing the rights and terms of the securities in their account and for taking action to realize the value of advantageous transactions.

Succession Planning

IP (KIP) Knelman is the sole owner and Manager Investor of KAMG. KAMG has an experienced management team and structure in place that provides continuity beyond any one individual. In the event that Mr. Knelman is no longer able to continue working, either because of his death or for some other reason, the current management team that clients count on now to successfully guide their investment strategy will continue as it is today.

Revised July 2011

PRIVACY NOTICE

Facts	WHAT DOES KNELMAN ASSET MANAGEMENT GROUP, LLC DO WITH YOUR PERSONAL INFORMATION?
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Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number and other personal identifying information (e.g., address, telephone number, date of birth); • Investment objectives, risk tolerance and financial assets; and • Investment holdings, account information and transaction history. <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Knelman Asset Management Group, LLC chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Knelman Asset Management Group, LLC share?	Can you limit this sharing?
For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes – to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes – information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes – information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions?	Call 612-341-8171
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Who we are	
Who is providing this notice?	Knelman Asset Management Group, LLC

What we do	
How does Knelman Asset Management Group, LLC protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and offices.
How does Knelman Asset Management Group, LLC collect my personal information?	<p>We collect your personal information, for example, from:</p> <ul style="list-style-type: none"> • information we receive from clients in account agreements or other forms; • information we receive from clients through transactions, correspondence and other communications; and • information we otherwise obtain from clients in connection with providing them a financial product or service.
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> • sharing for affiliates' everyday business purposes—information about your creditworthiness; • affiliates from using your information to market to you; and • sharing for nonaffiliates to market to you. <p>State laws and individual companies may give you additional rights to limit sharing. To the extent those state laws apply, we will comply with them with respect to your personal information.</p>

Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial or nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Knelman Asset Management Group, LLC has no affiliates.</i>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Knelman Asset Management Group, LLC does not share with nonaffiliates so they can market to you.</i>
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • <i>Knelman Asset Management Group, LLC does not jointly market.</i>

Other important information	
<p>If you conduct business with us through an investment professional, we may exchange information we collect with them or with others at their direction. Because one or more other financial professionals, such as a financial planner, broker-dealer or bank, are also servicing your account, that firm will have personal information about you as well. Please review all applicable privacy policies for a complete understanding of how your personal information is treated.</p>	

Brochure Supplement (Part 2B of Form ADV) July 31, 2011

KNELMAN ASSET MANAGEMENT GROUP, LLC

IP (KIP) KNELMAN

225 South Sixth Street, Suite 3390
Minneapolis, Minnesota 55402
(612)-341-8197

This brochure supplement provides information about Mr. Knelman that supplements the brochure for KNELMAN ASSET MANAGEMENT GROUP, LLC(KAMG). You should have received a copy of that brochure. Please contact David Lettenberger, KAMG's Chief Compliance Officer, at (612)-341-8197 or david@knelman.com if you did not receive KAMG's brochure or if you have any questions about the contents of this supplement.

KNELMAN ASSET MANAGEMENT GROUP, LLC Brochure Supplement – IP (KIP) Knelman

Item 2 – Educational Background and Business Experience

I.P. (Kip) Knelman

Senior Managing Partner, CEO

Mr. Knelman is the founder of Knelman Asset Management Group. He began his career in the investment industry in 1975, with the investment banking and brokerage firm of Kidder, Peabody and Company. Mr. Knelman was President and Chief Executive Officer of Investment Advisers, Inc. (IAI). He was instrumental in growing IAI's institutional pension fund management company from \$300 million to \$17 billion. Prior to becoming CEO, Mr. Knelman held positions of steadily increasing scope culminating in responsibility for all day-to-day functions of the company including investment management operations, marketing and sales, client service, mutual fund and trust operations, as well as administrative, legal and finance. His tenure at IAI was from 1979 to 1998. Mr. Knelman was a member of the board, Lloyd's Bank/TSB Asset Management Group (with over \$100 billion in assets under management worldwide). In 2000, Mr. Knelman started Knelman Asset Management Group and in 2005, Lazard Asset Management acquired the firm. In December 2008, Knelman reacquired the firm back from Lazard and once again is independent. Mr. Knelman has been involved in the Minneapolis/St. Paul community as a past and current board member of various non-profit organizations. Mr. Knelman has a graduate degree (MA) in International Relations from the University of Southern California and a BA in International Relations from the University of Minnesota.

Item 3 – Disciplinary Information

There are no legal or disciplinary events relating to Mr. Knelman that would be material to a client's evaluation of Mr. Knelman.

Item 4 – Other Business Activities

Mr. Knelman is not involved in any other investment-related business or occupation or any other business or occupation for compensation.

Item 5 – Additional Compensation

Mr. Knelman does not receive any economic benefits for providing advisory services, such as sales awards or bonuses for client referrals, from any person that is not a client.

Item 6 – Supervision

Mr. Knelman, as the Chairman of KAMG, is the principal executive in KAMG's supervisory structure. Accordingly, Mr. Knelman has direct or indirect supervisory authority over all of KAMG's investment advisory personnel, including himself. Mr. Knelman can be reached at (612)-341-8197. Although Mr. Knelman does not have a direct supervisor, his activities are monitored by KAMG's chief compliance officer. In addition, KAMG's Portfolio Management Committee supervises the management of client accounts.

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KNELMAN ASSET MANAGEMENT GROUP, LLC

David Lettenberger

225 South Sixth Street, Suite 3390
Minneapolis, Minnesota 55402
(612)-341-8197

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KNELMAN ASSET MANAGEMENT GROUP, LLC Brochure Supplement – David Lettenberger

Item 2 – Educational Background and Business Experience

David Lettenberger is a Senior Portfolio Manager on the U.S. Equity Growth products, having joined KAMG in September of 2010. David has 17 years of investment management experience, focused entirely on growth investing. Prior to joining KAMG, he was a Managing Director and lead Portfolio Manager of the US Mid Cap Growth product at UBS Global Asset Management. Prior to his five years at UBS, David was a Managing Director and Head of the Large-Cap/Mid-Cap Growth team at US Bancorp Asset Management. His primary responsibilities while with US Bancorp were as the lead portfolio manager of a \$1.4 billion mid cap growth fund (July 2003-September 2005), as well as the lead manager of a \$1.2 billion small cap fund (August 2000-June 2003). Prior to US Bancorp, David was a VP and portfolio manager for M&I Investment Management in Milwaukee, Wisconsin. David has a BS in Finance and Economics from Marquette University, and is a CFA charter holder.

Item 3 – Disciplinary Information

There are no legal or disciplinary events relating to Mr. Lettenberger that would be material to a client's evaluation of Mr. Lettenberger.

Item 4 – Other Business Activities

Mr. Lettenberger is not involved in any other investment-related business or occupation or any other business or occupation for compensation.

Item 5 – Additional Compensation

Mr. Lettenberger does not receive any economic benefits for providing advisory services, such as sales awards or bonuses for client referrals, from any person that is not a client.

Item 6 – Supervision

Mr. Lettenberger reports to Kip Knelman, Chairman of KAMG. Mr. Knelman can be reached at (612)-341-8197. As the Chief Compliance Officer, Mr. Lettenberger's activities are also monitored by KAMG's chief executive officer and its supervisory structure. In addition, KAMG's Portfolio Management Committee supervises the management of client accounts.

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KNELMAN ASSET MANAGEMENT GROUP, LLC

SETH HEIMERMANN

225 South Sixth Street, Suite 3390
Minneapolis, Minnesota 55402
(612)-341-8197

This brochure supplement provides information about Mr. Heimermann that supplements the brochure for KNELMAN ASSET MANAGEMENT GROUP, LLC (KAMG). You should have received a copy of that brochure. Please contact David Lettenberger, KAMG's Chief Compliance Officer, at (612)-341-8197 or david@knelman.com if you did not receive KAMG's brochure or if you have any questions about the contents of this supplement.

**KNELMAN ASSET MANAGEMENT
GROUP, LLC Brochure Supplement –
Seth Heimermann**

Item 2 – Educational Background and Business Experience

Seth Heimermann is a Research Analyst on the U.S Equity Growth products team and has five years of investment research and portfolio management experience. Prior to joining KAMG, he was a Portfolio Manager with US Bancorp Private Asset Management. Previously, he was an Analyst and Portfolio Manager for the University of Minnesota student-managed equity fund. He has an MBA from the University Of Minnesota Carlson School Of Management and a BS in Finance from St. Cloud State University. Seth is a CFA charter holder and is a member of the CFA Society of Minnesota.

Item 3 – Disciplinary Information

There are no legal or disciplinary events relating to Mr. Heimermann that would be material to a client's evaluation of Mr. Heimermann.

Item 4 – Other Business Activities

Mr. Heimermann is not involved in any other investment-related business or occupation or any other business or occupation for compensation.

Item 5 – Additional Compensation

Mr. Heimermann does not receive any economic benefits for providing advisory services, such as sales awards or bonuses for client referrals, from any person that is not a client.

Item 6 – Supervision

Mr. Heimermann reports to David Lettenberger of KAMG. Mr. Lettenberger can be reached at (612)-341-8197. Mr. Heimermann's activities are also monitored by KAMG's chief compliance officer and its supervisory structure. In addition, KAMG's Portfolio Management Committee supervises the management of client accounts.