

**Item 1 - Cover Page**

**RMH III Investment Management, LLC**

**CRD# 150325**

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**Wrap Fee Program Brochure**

**February 15, 2012 Brochure**

This wrap fee program brochure provides information about the qualifications and business practices of RMH III Investment Management, LLC ("RMH III"). If you have any questions about the contents of this brochure, please contact us at (941) 954-5888 or [Bob@RMH3investments.com](mailto:Bob@RMH3investments.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state authority.

Additional information about RMH III also is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

**Item 2 - Summary of Material Changes**

As you may be aware, the format that registered investment advisers are required to use in order to inform clients of the nature of advisory services provided, types of clients served, fee charged, potential conflicts of interest and other information has changed.

In the past, we were only required to offer you our updated brochure on an annual basis. Under the new rules, we are required to annually provide each client with these amended disclosures, rather than merely making the offer. If there had been changes to our brochure since our last regulatory filing, we would be required to inform you of these changes. However, there have been no material changes to the Firm's brochure since its last required filing, dated March 31, 2011. Nevertheless, if you would like a copy of the complete brochure, please let us know and we will be happy to provide one to you at no charge.

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## Item 4 - Services, Fees and Compensation

RMH III was formed in 2009 and provides portfolio management services to its clients. Such services are offered through the “RMH III Wrap Program” or the “Program”, which has been designed to simplify the payment of management fees and brokerage expenses.

Robert M. Harris, III is the sole principal owner of RMH III. Please see *Brochure Supplement*, Appendix A, for more information on Mr. Harris.

### Portfolio Management

At the beginning of a client relationship, RMH III meets with the client, gathers information, and performs research and analysis as necessary. Based on its reviews, RMH III generally develops with each client:

- a financial outline for the client based on the client’s financial circumstances and goals, and the client’s risk tolerance level (the “Financial Profile” or “Profile”); and
- the client’s investment objectives and guidelines (the “Investment Plan” or “Plan”).

The Financial Profile is a reflection of the client’s current financial picture and a look to the future goals of the client. The Investment Plan outlines the types of investments RMH III will make on behalf of the client in order to meet those goals. The Profile and the Plan are discussed regularly with each client, but are not necessarily written documents.

The Investment Plan will be updated from time to time when requested by the client, or when determined to be necessary or advisable by RMH III based on updates to the client’s financial or other circumstances.

To implement the client’s Investment Plan, RMH III will manage the client’s investment portfolio on a discretionary basis or non-discretionary basis. As a discretionary investment adviser, RMH III will have the authority to supervise and direct the portfolio without prior consultation with the client. Clients who choose a non-discretionary arrangement must be contacted prior to the execution of any trade in the account(s) under management. This may result in a delay in executing recommended trades, which could adversely affect the performance of the portfolio. This delay also normally means the affected account(s) will not be able to participate in block trades, a practice designed to enhance the execution quality, timing and/or cost for all accounts included in the block. In a non-discretionary arrangement, the client retains the responsibility for the final decision on all actions taken with respect to the portfolio. The RMH III Wrap Program does not currently include any outside managers.

Notwithstanding the foregoing, clients may impose certain written restrictions on RMH III in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments (e.g., “sin stocks”) in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client’s investment portfolios. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client’s account. For these and other reasons, performance of client investment portfolios within

the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of RMH III.

### **General Fee Information**

Fees paid by clients to participate in the RMH II Wrap Program include brokerage expenses (e.g., commissions, ticket charges, etc) as well as the management fee paid to RMH III. Under the all-inclusive billing alternative, RMH III will assess one client fee that captures the management, brokerage and administrative portions collectively. The standard rate schedule is set forth below.

Fees paid to RMH III are exclusive of and distinct from the fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund's prospectus or offering materials). Clients will pay certain fees in addition to the fees of the RMH III Wrap Program, as more fully described below. RMH III Wrap Program fees which RMH III does not pay to third parties in connection with transaction and execution expenses are retained by RMH III. Because of this, RMH III may have a disincentive to trade securities in client accounts.

The client should review all fees charged by funds, RMH III and others to fully understand the total amount of fees paid by the client for investment and financial-related services. Clients participating in the RMH III Wrap Program may pay higher or lower fees than clients purchasing such services separately, depending on the cost of services if provided separately and the level of trading in a particular client's account.

### **Wrap Fee Program Fees**

RMH III's annual fee for investment management services provided under this Agreement shall be based on the market value of the assets under management in each account and be calculated as follows:

#### **Balanced Account**

First \$200,000	0.75% per year
Balance over \$200,000	Negotiable

#### **Equity Growth**

First \$200,000	1.00% per year
Balance above \$2,000	Negotiable

The above fees are negotiable and charged quarterly in advance. In some cases, account termination fees may be absorbed by RMH III when accounts are being transitioned to RMH III for management from another firm. Clients may incur additional charges for other account services provided that are not directly related to the execution and clearing of transactions, including, but not limited to, IRA custodial fees, safekeeping fees, interest charges on margin loans, and fees for transfers of securities. If management begins after the start of a quarter, fees will be prorated accordingly. Fees are normally debited directly from client account(s), unless other arrangements are made.

Either RMH III or the client may terminate their Investment Management Agreement at any time, subject to any written notice requirements in the agreement. In the event of termination, any paid but unearned fees will be promptly refunded to the client, and any fees due to RMH III from the client will be invoiced or deducted from the client's account prior to termination.

## **Item 5 - Account Requirements and Types of Clients**

The RMH III Wrap Program is generally offered to individuals, trusts, and estates. With some exceptions, the minimum portfolio value eligible for conventional investment advisory services is \$200,000, and the annual minimum fee charged is \$250. Under certain circumstances and in its sole discretion, RMH III may negotiate such minimums.

## **Item 6 - Portfolio Manager Selection and Evaluation**

The RMH III Wrap Program was designed to simplify for clients the payment of management fees and brokerage expenses. The Program does not select advisers in addition to RMH III, which is the only Portfolio Manager for the Program. Please see the *Services, Fees and Compensation* section for a description of RMH III's portfolio management services.

### **Performance-Based Fees and Side-By-Side Management**

RMH III does not have any performance-based fee arrangements. "Side by Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because RMH III has no performance-based fee accounts, it has no side-by-side management.

### **Methods of Analysis**

In accordance with the Investment Plan, RMH III will primarily invest in common stocks, bonds mutual funds, and ETF's.

In selecting individual stocks for an account, RMH III generally applies traditional fundamental analysis including, without limitation, the following factors:

- Financial strength ratios;
- Price-to-earnings ratios;
- Dividend yields; and
- Growth rate-to-price earnings ratios

RMH III may also incorporate other methods of analysis, such as technical analysis, which involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.

Fixed income investments may be used as a strategic investment, as an instrument to fulfill liquidity or income needs in a portfolio, or to add a component of capital preservation. RMH III may evaluate and select individual bonds or bond funds based on a number of factors including, without limitation, rating, yield and duration.

Mutual funds and ETFs are generally evaluated and selected based on a variety of factors, including, without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors.

### **Investment Strategies**

RMH III's strategic approach is to invest each portfolio in accordance with the Plan that has been developed specifically for each client. This means that the following strategies may be used in varying combinations over time for a given client, depending upon the client's individual circumstances.

Long Term Purchases – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Short Term Purchases – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short term price fluctuations.

Short Sales – securities transactions in which an investor sells securities he or she borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price.

Margin Transactions – a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.

Trading – generally considered holding a security for less than thirty (30) days.

Options Trading/Writing: a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the exercise of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option.

RMH III's investment style can be characterized as that of Total Return. Total Return is defined by equal reliance on current income and long-term capital appreciation. RMH III's investment process requires ongoing review of industry trends, economic events, evolving investable themes and current tax environments. RMH III's long-term strategy begins with a macro overview and how business should respond. Based on historic and current observations RMH III tries to identify trends and those industries and sectors that could be most affected. After consideration of facts and trends, RMH III attempts to drill down to those leading companies that seem to possess investable attributes such as large capitalization, and small sized capitalization companies in the equity mix. Fixed income investments tend to have a mixture of time horizons and durations. Taxes are an important consideration as to whether tax exempt municipals or taxable securities are selected. Individual circumstances dictate the mix. Cash equivalents such as money market funds are used for temporary investments. RMH III will construct a portfolio most suitable to meet the client's goals and objectives, within the client's individual risk tolerance. RMH III may also execute some short-term trading strategies in consultation with clients.

## **Risk of Loss**

While RMH III seeks to diversify clients' investment portfolios across various asset classes consistent with their Investment Plans in an effort to reduce risk of loss, all investment portfolios are subject to risks. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money.

Below is a description of several of the principal risks that client investment portfolios face.

*Management Risks.* While RMH III manages client investment portfolios based on RMH III's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that RMH III allocates assets to asset classes that are adversely affected by unanticipated market movements, and the risk that RMH III's specific investment choices could underperform their relevant indexes.

*Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.* As described above, RMH III may invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

*Equity Market Risks.* RMH III will generally invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

*Fixed Income Risks.* RMH III may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

*Foreign Securities Risks.* RMH III may invest portions of client assets into pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments

are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

### **Voting Client Securities**

As a policy and in accordance with RMH III's client agreement, RMH III does not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may contact RMH III with questions relating to proxy procedures and proposals; however, RMH III generally does not research particular proxy proposals.

### **Best Execution and Benefits of Brokerage Selection**

When given discretion to select the brokerage firm that will execute orders in client accounts, RMH III seeks "best execution" for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, RMH III may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of RMH III's clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

RMH III may recommend that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets. RMH III may also effect trades for client accounts at Schwab, or may in some instances, consistent with RMH III's duty of best execution and specific agreement with each client, elect to execute trades elsewhere. Although RMH III may recommend that clients establish accounts at Schwab, it is ultimately the client's decision to custody assets with Schwab. RMH III is independently owned and operated and is not affiliated with Schwab.

Schwab provides RMH III with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as RMH III maintains a pre-established minimum amount of client assets in accounts at Schwab Advisor Services. Schwab's brokerage services include the execution of securities transactions, 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.

For RMH III client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Schwab Advisor Services also makes available to RMH III other products and services that benefit RMH III but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of RMH III accounts, including accounts not maintained at Schwab.



Schwab's products and services that assist RMH III in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of RMH III's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Advisor Services also offers other services intended to help RMH III manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to RMH III. Schwab Advisor Services 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 RMH III. Schwab Advisor Services may also provide other benefits such as educational events or occasional business entertainment of RMH III personnel. In evaluating whether to recommend that clients custody their assets at Schwab, RMH III may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

### **Directed Brokerage**

Clients may direct RMH III to use a particular broker for custodial or transaction services on behalf of the client's portfolio. In directed brokerage arrangements, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. Accordingly, a client who directs brokerage should consider whether such designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions or obtain less favorable execution, or the designation limits the investment options available to the client.

The arrangement that RMH III has with Schwab is designed to maximize efficiency and to be cost effective. By directing brokerage arrangements, the client acknowledges that these economies of scale and levels of efficiency are generally compromised when alternative brokers are used. While every effort is made to treat clients fairly over time, the fact that a client chooses to use the brokerage and/or custodial services of these alternative service providers may in fact result in a certain degree of delay in executing trades for their account(s) and otherwise adversely affect management of their account(s).

By directing RMH III to use a specific broker or dealer, clients who are subject to ERISA confirm and agree with RMH III that they have the authority to make the direction, that there are no provisions in any client or plan document which are inconsistent with the direction, that the brokerage and other goods and services provided by the broker or dealer through the brokerage transactions are provided solely to and for the benefit of the client's plan, plan participants and their beneficiaries, that the amount paid for the brokerage and other services have been determined by the client and the plan to be reasonable, that any expenses paid by the broker on behalf of the plan are expenses that the plan would otherwise be obligated to pay, and that the specific broker or dealer is not a party in interest of the client or the plan as defined under applicable ERISA regulations.

## **Aggregated Trade Policy**

RMH III may enter trades as a block where possible and when advantageous to clients whose accounts have a need to buy or sell shares of the same security. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rata basis between all accounts included in any such block. Block trading allows RMH III to execute equity trades in a timelier, equitable manner, and may reduce overall costs to clients.

RMH III will only aggregate transactions when it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its clients, and is consistent with the terms of RMH III's Investment Advisory Agreement with each client for which trades are being aggregated. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all RMH III's transactions in a given security on a given business day, with transaction costs generally shared pro-rata based on each client's participation in the transaction. On occasion, owing to the size of a particular account's pro rata share of an order or other factors, the commission or transaction fee charged could be above or below a breakpoint in a pre-determined commission or fee schedule set by the executing broker, and therefore transaction charges may vary slightly among accounts. Accounts may be excluded from a block due to tax considerations, client direction or other factors making the account's participation ineligible or impractical.

RMH III will prepare, before entering an aggregated order, a written statement ("Allocation Statement") specifying the participating client accounts and how it intends to allocate the order among those clients. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the Allocation Statement. If the order is partially filled, it will generally be allocated pro-rata, based on the Allocation Statement, or randomly in certain circumstances. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment, and the reason for different allocation is explained in writing and is approved by an appropriate individual/officer of RMH III. RMH III's books and records will separately reflect, for each client account included in a block trade, the securities held by and bought and sold for that account. Funds and securities of clients whose orders are aggregated will be deposited with one or more banks or broker-dealers, and neither the clients' cash nor their securities will be held collectively any longer than is necessary to settle the transaction on a delivery versus payment basis; cash or securities held collectively for clients will be delivered out to the custodian bank or broker-dealer as soon as practicable following the settlement, and RMH III will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation.

## **Cross Trades**

From time to time, RMH III may direct a "cross trade" of securities (including, without limitation, fixed income securities) between client accounts, whereby RMH III arranges for one client account to purchase a security directly from another client. In such cases, RMH III will seek to obtain a price for the security from one or more independent sources. RMH III is not a broker-dealer and receives no compensation from a cross trade; however, the broker-dealer facilitating the cross trade normally charges administrative fees to the clients' accounts.

RMH III may direct a cross trade when RMH III believes that the transaction is in the best interest of the clients, that no client will be disfavored by the transaction, and that the transaction receives the best execution.

### **Custody**

Schwab is the custodian of nearly all client accounts at RMH III. From time to time however, clients may select an alternate broker to hold accounts in custody. In any case, it is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify RMH III of any questions or concerns. Clients are also asked to promptly notify RMH III if the custodian fails to provide statements on each account held.

From time to time and in accordance with RMH III's agreement with clients, RMH III will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting and pending trades.

### **Investment Discretion**

As described in the ***Advisory Business*** section, RMH III will accept clients on either a discretionary or non-discretionary basis. For *discretionary accounts*, a Limited Power of Attorney ("LPOA") is executed by the client, giving RMH III the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. RMH III then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory agreement with RMH III and the requirements of the client's custodian.

For *non-discretionary* accounts, the client also generally executes an LPOA, which allows RMH III to carry out trade recommendations and approved actions in the portfolio. However, in accordance with the investment advisory agreement between RMH III and the client, RMH III does not implement trading recommendations or other actions in the account unless and until the client has approved the recommendation or action. As with discretionary accounts, clients may limit the terms of the LPOA, subject to RMH III's agreement with the client and the requirements of the client's custodian.

## **Item 7 - Client Information Provided to Portfolio Managers**

RMH III is the only portfolio manager under the RMH III Wrap Program. No information is shared with any other portfolio manager.

## **Item 8 - Client Contact with Portfolio Managers**

RMH III is the only portfolio manager under the RMH III Wrap Program. No restrictions are placed on client's ability to contact or consult with RMH III.

## **Item 9 - Additional Information**

### **Disciplinary Information**

RMH III has no disciplinary events to report.

### **Other Financial Industry Activities and Affiliations**

Neither RMH III nor its Management Person has any other financial industry activities or affiliations to report.

### **Code of Ethics and Personal Trading**

RMH III has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. RMH III's Code has several goals. First, the Code is designed to assist RMH III in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, RMH III owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires RMH III associated persons to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for RMH III's associated persons (managers, officers and employees). Under the Code's Professional Standards, RMH III expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, RMH III associated persons are not to take inappropriate advantage of their positions in relation to RMH III clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time RMH III's associated persons may invest in the same securities recommended to clients. Under its Code, RMH III has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code's personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading and pre-clearance of certain types of personal trading activities. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. The Code also provides for disciplinary action as appropriate for violations.

### **Participation or Interest in Client Transactions**

As outlined above, RMH III has adopted procedures to protect client interests when its associated persons invest in the same securities as those selected for or recommended to clients. In the event of any identified potential trading conflicts of interest, RMH III's goal is to place client interests first.

Consistent with the foregoing, RMH III maintains policies regarding participation in initial public offerings (IPOs) and private placements in order to comply with applicable laws and avoid conflicts with client transactions. If a RMH III associated person wishes to participate in an IPO or invest in a private placement, he or she must submit a pre-clearance request and obtain the approval of the Chief Compliance Officer. If associated persons trade with client accounts (e.g., in a bundled or aggregated trade), and the trade is not filled in its entirety, the associated person's shares will be

removed from the block, and the balance of shares will be allocated among client accounts in accordance with RMH III's written policy.

### **Review of Accounts**

Managed portfolios are reviewed at least quarterly, but may be reviewed more often if requested by the client, upon receipt of information material to the management of the portfolio, or at any time such review is deemed necessary or advisable by RMH III. These factors may include but are not limited to, the following: change in general client circumstances (marriage, divorce, retirement); or economic, political or market conditions. Robert M. Harris, RMH III's Managing Member, reviews all accounts.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. In addition, RMH III provides at least an annual report for each managed portfolio. This written report normally includes a summary of portfolio holdings and performance results. Additional reports are available at the request of the client.

### **Client Referrals and Other Compensation**

As noted above, RMH III may receive some benefits from Schwab based on the amount of client assets held at Schwab. Please see ***Portfolio Manager Selection and Evaluation*** for more information. However, neither Schwab nor any other party is paid to refer clients to RMH III.

### **Financial Information**

RMH III does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore has no disclosure required for this item.

**Brochure Supplement for**

**Robert M. Harris, III**

**CRD# 865420**

**of**

**RMH III Investment Management, LLC**

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Suite 959  
Sarasota, Florida 34236

(941) 954-5888

March 23, 2011

This brochure supplement provides information about Robert (“Bob”) Harris, and supplements the RMH III Investment Management, LLC (“RMH III”) wrap fee program brochure. You should have received a copy of that brochure. Please contact RMH III at (941) 954-5888 if you did not receive RMH III’s wrap fee program brochure, or if you have any questions about the contents of this supplement.

Additional information about Bob Harris is available on the SEC’s website at  
**[www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov)**.

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***Educational Background and Business Experience***

Robert M. Harris, III (year of birth 1938) is President of RMH III Investment Management, LLC. He is responsible for the direction of RMH III as well as ensuring the investment activities are being performed.

Bob began his career as Portfolio Manager and Trust Investment Officer with American Security and Trust in Washington, D.C. and later on with Palmer (Southeast Bank) in Sarasota. After forming and later merging his investment counseling firm, Bob was Senior Vice President and Portfolio Manager with C.J. Lawrence – Deutsche Bank before serving with Sterne Agee Asset Management as Executive Vice President and Chief Equity Strategist from October 1998 until 2009 when he formed RMH III.

Bob’s education includes the College of William and Mary, American University – Special Studies International Business. In 1964, Bob received a Bachelor of Arts degree in Business Administration from the University of South Florida. He has also obtained several Financial Industry Regulatory Authority (FINRA) licenses: Series 7, 55, 63, and 65, some of which are no longer active. Mr. Harris is Co-Founder of the Central Florida Analytical Society.

***Disciplinary Information***

There is no disciplinary information to report regarding Bob.

***Other Business Activities***

Bob is not engaged in any other business activities.

***Additional Compensation***

Bob has no other income or compensation to disclose.

***Supervision***

As the sole owner of RMH III, Bob supervises all duties and activities of the firm, and is responsible for all advice provided to clients. His contact information is on the cover page of this disclosure document.