

Item 1

Abner, Herrman & Brock, LLC
(AHB)

Wrap Fee Program Brochure
Part 2A Appendix 1 of Form ADV

This wrap fee program brochure provides information about the qualifications and business practices of **Abner, Herrman & Brock, LLC**. If you have any questions about the contents of this brochure, please contact us at 201-484-2000 or info@ahbi.com. This information has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Abner, Herrman & Brock, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

January 3, 2014

Item 2

Material Changes

Material Changes since the Last Update

This item discusses only the material changes made to this brochure since the last annual update.

- Update to Item 4 [A], Appendix A, Fee Schedule

Full Brochure Available

Whenever you would like to receive a complete copy of our Wrap Fee Program Brochure, please contact us by telephone at: 201-484-2000 or by email at: contactus@ahbi.com.

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Item 4 [A, B, C, D]**Services, Fees and Compensation***Investment Advisory Services*

Abner, Herrman & Brock, LLC (AHB)'s Wrap Fee Program offers investment management and execution services on a discretionary basis for one fee, exclusively for private clients who choose AHB as their investment manager. AHB does not offer consulting services to aid clients in choosing outside portfolio managers. AHB provides such services within guidelines formulated with each client, based upon defined investment objectives. AHB, a registered broker-dealer, provides a variety of execution and brokerage services to clients on a fully disclosed basis through JP Morgan Clearing Corp., ("JP Morgan"), AHB's clearing broker.

During initial conferences with prospective clients, investment objectives are identified, an asset allocation plan is devised, and the firm's advisory fee structure is discussed. The AHB Wrap Fee Program offers investment management by AHB of Core Equity, Custom Balanced, Taxable and Municipal Bond portfolios. If clients elect to retain AHB as a portfolio manager, clients are provided with a letter outlining the agreed upon objectives, asset allocation plan and fee for such advisory services. Clients execute investment advisory agreements and are asked to designate a custodian to hold their securities and a broker which will execute transactions to be effected on their behalf by AHB. If authorized by the client, AHB may provide brokerage services for the investment advisory clients in accordance with the requirements of the securities laws and, if applicable, the Employee Retirement Income Security Act of 1974 ("ERISA").

Fees and Compensation

Under AHB's Wrap Fee Program, clients receive investment management, brokerage and custodial services for an all-inclusive (or "wrap") fee which varies as follows depending upon the asset allocation and amount of assets in the portfolio. Fees are based on the market value of the portfolio and are billed in advance on a quarterly basis for advisory services to be rendered during the quarter. See Appendix A for Fee Schedule.

Depending upon any given client's financial needs, circumstances, and objectives (including the expected amount of trading activity) and the value of the advisory custodial, execution, and other services provided under AHB's Wrap Fee Program, such services might be obtained at a more favorable total price through AHB or elsewhere or/and if purchased on a separate basis. AHB, in its discretion, may negotiate the foregoing fees in appropriate circumstances. Fees may, therefore, differ from fees charged with respect to other clients depending on the extent of services provided and the cost of such services.

AHB may, on occasion, invest in money market funds for which no separate fees will be paid by the client; however, the management fee paid by the fund may be considered an indirect charge. In addition to the wrap fee, clients pay an administrative service charge on each transaction in the portfolio. AHB does not act as principal in over-the-counter NASDAQ securities. Therefore, in effecting such transaction, clients may pay a markup or markdown which is included in the offer or bid price of the securities purchased or sold. AHB does not act as a dealer, and will not affect certain principal transactions with an investment advisory client. Therefore, the client may be paying a markup or markdown to market makers acting as principal. Following client approval, AHB may act as broker for persons other than the client in effecting transactions in which client securities are sold to or bought from another AHB brokerage customer, in accordance with the provisions of Rule 206(3)-2 under the Investment Advisers Act of 1940, if applicable.

A portion of the fees paid to AHB in connection with any account in the AHB Wrap Program may be allocated on an ongoing basis to a person, such as a Financial Consultant or other individual who has made such referral. The amount of that compensation may be more or less than what they would receive if the client paid separately for investment advice, brokerage or other services. The Financial Consultant or referral individual may, therefore, have a financial incentive to recommend the AHB Program over other services.

Item 5

Account Requirements and Types of Clients

Account Minimum and Client Descriptions

The minimum account size for participation in the AHB Wrap Fee Program is \$500,000. AHB has the discretion to waive the account minimum when circumstances require it. Other exceptions may apply to employees of AHB and their relatives, or relatives of existing clients. AHB generally provides investment advisory services to individuals, endowments, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations or business entities.

Item 6 [A, B]

Portfolio Manager Selection and Evaluation

Selection and Evaluation

AHB does not offer consulting services to aid clients in choosing portfolio managers. AHB is the investment manager offered in the AHB Wrap Fee Program. Performance of the AHB Wrap Fee Program is verified by Ashland Partners, LLC in compliance with Global Investment Performance Standards (GIPS®). Because AHB is the only portfolio manager offered in this program, there are no conflicts of interest with its related persons acting as portfolio managers.

Item 6 [C, Items 4B, 4C, 4D of Part 2A]

Advisory Business

Types of Advisory Services

We offer the following types of advisory services, Private Client, Investment Advisory in wrap fee programs, Model Portfolio Vendor and Consulting Services.

Private Client

AHB provides investment management services, also known as asset management services to individuals, endowments, pension and profit-sharing plans, trust, estates, charitable organizations, corporations and other business entities. AHB equity portfolios are typically comprised of large capitalization companies invested in these companies common stocks. Fixed income portfolios may be invested in investment grade corporate bond securities, investment grade municipal bond securities, US government agency bonds and US government Treasury securities. Balanced portfolios are invested in a combination of the above mentioned equity and fixed income securities.

For Private Clients, AHB tailors a portfolio to a client's individual needs and investment objectives. During initial conversations with prospective clients, investment objectives are identified, an asset allocation plan is devised, any specific securities restrictions the client may have and the firm's advisory fee structure is discussed. The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Clients may impose restrictions on investing in certain securities or types of securities. We review these requests on a case by case basis.

If clients elect to retain AHB as a portfolio manager, clients are provided with a letter outlining the agreed upon objectives, asset allocation plan and fee structure. Each client executes a contractual Investment Advisory Agreement which also designates a custodian to hold their securities and a broker that will execute transactions to be effected on their behalf by AHB. Agreements may not be assigned without client consent.

Advisor to Wrap Fee Programs

AHB provides its portfolio management services to wrap fee programs that are offered at other institutions (also known as "separately managed accounts" programs or "SMA" programs). There is no difference in the investment management that AHB provides to these wrap fee accounts from the investment management provided to other accounts. As compensation for our investment management services, AHB receives a portion of the wrap fee that is charged by the financial institution that is sponsoring the wrap program. Some of the SMA programs are structured such that AHB is the sub-advisor to the sponsor of the program.

Model Portfolio Vendor

AHB has relationship with a Registered Investment Advisor in which AHB designs, monitors and updates one or more model portfolios that are to meet the objectives set forth by the client. These portfolios are managed with the same investment philosophy and strategy as other accounts are managed by AHB. AHB does not have discretion in the management of such portfolios. AHB's recommendations that are provided to the client (the RIA) are used by such clients in their sole discretion, whether or not and to what extent to implement the model portfolios and/or each recommendation. AHB receives a fee for these investment services that is based on the average value for the aggregate client assets in the Model Portfolio Accounts managed using the Model Portfolio at the beginning of the quarter. This service is impersonal and not tailored to the client needs because we have no knowledge of the client's financial situations. The RIA is responsible for all trading and client interaction. The model portfolios are not considered AHB assets under management and therefore not included in our AUM calculations. Model Portfolios may be subject to lesser or greater advisory fees depending on the simplicity or complexity of the objective.

Consulting Services

We offer consulting services to other fiduciaries, including other investment advisors that includes advice on financial markets and may include providing one or more model portfolios as a part of this comprehensive consulting agreement.

Item 6 [C, Item 6 of Part 2A]**Performance-Based Fees****Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities. AHB does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client which is inconsistent with our investment philosophy.

Item 6 [C, Item 8A of Part 2A]**Methods of Analysis, Investment Strategies and Risk of Loss.**

AHB employs several investment strategies and it is possible that certain methods of analysis, strategies and risks discussed below may not apply to our management of any particular client's portfolio. The specific investment strategies and risks associated with a client's account may be described in more detail in presentations, investment guidelines, marketing materials and other documents provided or discussions held with that client or investment guidelines provided by the client(or in the case of other sponsors wrap programs, the sponsors brochure or program documentation.) When choosing to allocate assets for investment in securities, clients should recognize this may involve risk of loss and should be prepared to bear such loss if incurred.

Methods of Analysis

We use several methods of analysis to make our investment decisions which include fundamental analysis, technical analysis, cyclical and quantitative analysis.

Fundamental analysis involves reviewing financial statements to understand the general financial health of a company, and reviewing the management team or advantages the company may have over competitors. We also communicate directly with the companies that we invest in or are under consideration. We regularly hold conference calls or face to face meetings with company management and attend company presentations. This helps us learn the most we can about a company and any relevant changes to the economic landscape. The risk of fundamental analysis is that information obtained may be incorrect or change.

Technical analysis involves the analysis of past market data, specifically price and volume and the use of patterns in performance charts. We use this technique to search for patterns that help predict favorable conditions for buying or selling a security. The risk of investing based on technical analysis is that current prices of securities may reflect all information known about the company and day to day changes in market prices may be random which is unpredictable for short periods of time and therefore may not predict future stock movements.

Cyclical analysis involves the analysis of the business cycles to find favorable conditions for buying and selling a security. Economic and business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequent changing values of securities that would be affected by these changes.

Quantitative analysis seeks to understand market behavior by using mathematical ratios which evaluate valuation metrics of a particular security. The risks associated with quantitative analysis are that metrics and models may be based on assumptions and subjective judgments that may prove to be incorrect. In using this method of analysis, we also rely on publicly available sources of information which may be inaccurate or misleading.

The main sources of information we use as we do our analysis include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, annual reports, prospectuses, corporate filings with the Securities and Exchange Commission, company press releases, online information including but not limited to newsletters, blogs, and webcasts. Investing in securities involves risk of loss that clients should be prepared to bear. The investment committee makes final decisions with regard to securities investments after receiving and reviewing information obtained by AHB and its employees.

Investment Strategies

AHB employs a “top down” investment approach which focuses first on the outlook for the overall economy on a short, intermediate and long-term basis. AHB will also identify interest rate directions and those sectors of the economy (consumer, business and government) and those industries in each sector which are likely to be affected favorably and unfavorably by the overall economic outlook on an intermediate and long-term basis, pinpointing industries and particular companies of potential interest. AHB will continually monitor market cycle positions.

The foregoing analysis is performed on an ongoing basis to formulate asset allocation strategies with preservation of capital and achievement of investment objectives being the foremost concern. AHB uses cash-flow management as a component of each of its investment strategies. Specifically, although subject to individual client objectives, the allocation among equities, bonds and cash in each portfolio will change in various markets. For example, overall investment objectives may be met in varying markets by reducing equity or bond exposure in declining markets and seeking expanded exposure and thus rates of return in rising markets.

Equity Portfolios

Core Equity

The Core Equity strategy invests in common stocks of large capitalization companies. In general, these companies have a market capitalization of \$4 billion or greater. AHB seeks out well-managed companies offering above-average earnings, dividend growth which are priced at attractive valuations to focus its research. AHB looks for opportunities where market capitalization is large enough to afford easy entry and exit for liquidity in trading. AHB believes that the equity securities it identifies and invests in for clients tend to offer lower volatility and on a relative basis, potentially higher risk-adjusted returns than other stocks not bearing the same characteristics. To the extent feasible, AHB seeks to diversify Equity Portfolios among 5-20 industry sectors and 2-4 companies in each industry. In AHB's view, such diversification provides for a more prudent level of risk. In managing Equity Portfolios, AHB seeks to attain higher yields and lower volatility as compared with other professionally managed portfolios with similar investment objectives. Equity investments for clients are subject to certain selling disciplines in order to attempt to maximize gains and minimize losses, including consideration being given to selling securities which have appreciated by 50% or depreciated by 10% from purchase price. The investment objective for the Core Equity strategy is growth through a combination of capital appreciation and dividend income.

Aggressive Equity

Aggressive equity portfolios have more concentrated positions, may include mid and small capitalization companies and may use margin debt to enhance the portfolio returns. This investment objective for Aggressive Growth portfolios is growth through capital appreciation.

Custom Balanced Portfolios

Custom Balanced Portfolios include equities as well as bonds. The equities are the same as in the Core Equity strategy. Bonds are selected from the investment grade Corporate bond, U.S. Government, Agency as well as Municipal bond universe when appropriate. The proportion of bonds to equities in Custom Balanced Portfolios is generally agreed to by the client to achieve their investment objectives before investment management is initiated. AHB seeks to structure the bond portion as described below. The investment objective for Custom Balanced portfolios is both growth and income.

Fixed Income Portfolios

Taxable Bond Portfolios

Taxable Bond Portfolios are comprised of U.S. Treasury, government agency, and investment-grade corporate bonds with laddered maturities. Bonds are selected that represent attractive relative values based on the yield curve, bond type and sector spreads. Bond holdings are shifted toward agencies and corporates when the yields from those sectors offer materially higher returns than U.S. Treasuries. Analysis of the yield curve identifies maturities that offer optimal yields within AHB's quality, liquidity and stability requirements. AHB continuously monitors each bond's credit quality in an effort to anticipate a change in the credit rating of the issuer. AHB Taxable Bond Portfolios are broadly diversified by bond type, economic sector and maturity to reduce volatility and generate a high rate of current income and/or capital appreciation. AHB does not participate in "swapping" or "credit anticipation" strategies for bond portfolios. The investment objective for Taxable Bond portfolios is income.

Municipal Bond Portfolios

Municipal Bond Portfolios will reflect a client's desire to receive greater after-tax income or tax-exempt capital appreciation. Bond holdings are selected for quality, value and stable income generation. Municipal Bond Portfolio holdings are structured with high quality investment-grade tax-exempt bonds. AHB continuously monitors each bond's credit quality in an effort to anticipate a change in the underlying credit rating of the issuer. Each portfolio is customized to meet the client's risk profile, tax sensitivity and income requirements. The investment objective of Municipal Bond portfolios is tax exempt income.

Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause security prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their prices to decline.

- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments, even if made by domestically based companies, are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Item 6 [C, Item 17 of Part 2A]

Voting Client Securities

Responsibility for Voting Proxies

AHB does not vote proxies on securities for direct Private Clients and therefore clients are expected to vote their own proxies. Clients will receive their proxies directly from their custodian and can contact us with questions. If assistance on voting proxies is requested, AHB will provide recommendations to our clients. If a conflict of interest exists, it will be disclosed to the client. For

certain SMA programs that are not sponsored by AHB and for which AHB provides investment management services, if required by the customer agreement, AHB does vote proxies.

The following procedures apply to the voting of proxies solicited for securities in all accounts of AHB clients where AHB exercises Voting Authority over the way the proxies are to be voted (see below). For accounts where we exercise no such Voting Authority, the procedures do not apply. Where a third party other than AHB exercises Voting Authority in an account, this party must have in place written procedures that comply with the rules.

The Voting Decision

Our primary consideration in determining how to vote the proxies is in a manner consistent with the best interest of our clients. AHB's fiduciary duties to a client do not necessarily require it to become a "shareholder activist" by, for example, actively engaging in soliciting proxies or supporting or opposing matters before shareholders. The duties of care and loyalty are exercised where AHB completes the proxy material and forwards it to the company based on a decision by AHB on how to vote the proxy or whether to vote it at all.

Conflicts of Interest

There are circumstances in which a conflict of interest might arise by an Investment Advisor voting proxies on behalf of its client. AHB is obliged to identify, prior to making a Voting Decision for a client account, any material conflict of interest with respect to that Voting Decision. AHB will consider that it has a conflict of interest with respect to any Voting Decision where:

- AHB or an affiliate or associated person is providing advisory, brokerage, underwriting, and insurance or banking services to a company whose management is soliciting proxies.
- AHB or an affiliate or Associated Person has a business or personal relationship with a member of company management or a company group (such as the pension plan), proponent of a proxy proposal, a participant in a proxy contest or a candidate for corporate office.

AHB will also consider that it has a Material Conflict of Interest where either:

- AHB has Voting Authority from all accounts to make a Voting Decision with respect to securities in the aggregate constituting over 10 percent (10%) of the outstanding voting securities of the company; or
- In the case of a particular client, the securities for which the proxy is solicited constitute over 10 percent (10%) of the securities held by that client in the client's Voting Authority Account.

The CCO determines whether there is enough uncertainty about the best interests of the client that the client should be contacted in advance for approval. If mitigating circumstances and/or conflicts of interest arise, the circumstances or conflicts will be discussed by AHB's investment committee. This investment committee may inform the client or may forward the proxy material to the client if it deems it necessary for review. Factors to consider would include the stated investment objectives of the client and the nature of the conflict of interest.

Books and Records

Clients may obtain information from us about how we voted any proxies on behalf of their account(s) upon request.

Proxy Voting Policies and Procedures

Clients may obtain a copy of our complete proxy voting policies and procedures upon request.

Item 7

Client Information Provided to Portfolio Managers

AHB does not offer consulting services to aid clients in choosing portfolio managers and therefore does not provide any client information to portfolio managers at any other firm. The portfolio managers at AHB are provided with the investment objectives and risk tolerance of the client as well as the asset allocation of the portfolio. Additional relevant concerns may be state of residence for a municipal bond portfolio, any special income needs, special sector, industry or company restrictions or rating levels that a client may require.

Item 8

Client Contact with Portfolio Managers

There are no restrictions placed on a client's ability to contact or consult with AHB portfolio managers.

Item 9 [A, Items 9 & 10 of Part 2 A]

Additional Information

Disciplinary Information

There are no legal or disciplinary events related to past or present investment clients.

Financial Industry Activities and Affiliations

Abner, Herrman & Brock, LLC is registered as a securities broker dealer. As a broker, AHB executes transactions on behalf of customers who are not advisory clients but for whom AHB maintains brokerage accounts on both a discretionary and non-discretionary basis. AHB receives compensation for those accounts only in the form of brokerage commissions. As a broker, AHB is a sponsor of its own Wrap Fee Program which is exclusively for customers who have separately

retained AHB as an investment advisor of their portfolio. AHB receives a wrap fee (as described above) from such clients when it is so retained. Clients may elect to designate AHB or a broker dealer or custodian of their choice. When AHB is selected as broker dealer, AHB utilizes the correspondent clearing services of JP Morgan to execute all equity transactions as indicated in the advisory agreement, which AHB determines, in the exercise of its discretion as advisor, are consistent with the investment objectives of its clients. As disclosed in the investment advisory agreement, when the client directs brokerage to AHB, for equity transactions, there is no assurance to achieve the most favorable execution for these transactions. For the purchase and/or sale of fixed-income securities, the client authorizes AHB to effect fixed income transactions, subject to AHB's duty to seek the best execution for these transactions

Item 9 [B, Item 11 of Part 2A]

Code of Ethics

We have adopted a Code of Ethics, as required under the Investment Company Act of 1940 and the Investment Advisers Act of 1940 which describes our standard of business conduct, and our fiduciary duty to our clients. It serves to make our employees aware of what conduct and behavior is expected of them, including their personal securities transactions and rules against trading upon material nonpublic information so they do not take improper advantage of their positions and the access to information that comes with their position.

The Code of Ethics includes but is not limited to the following areas of conduct; Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Confidentiality and Compliance with Reporting Regulations.

A copy of our Code of Ethics is available as a separate document to clients and prospective clients upon request.

Participation or Interest in Client Transactions and Personal Trading

Pursuant to the Code of Ethics and other AHB policies and procedures with regard to confidentiality, and the avoidance of potential conflicts of interest, all transactions executed at AHB, including those on behalf of its principals and employees, are reviewed daily to prevent the misuse of material non-public information by AHB, its principals and employees and other violations of law or conflicts of interest.

From time to time, AHB, as well as principals and employees of AHB, may have positions or may engage in transactions, in the same securities as those purchased or sold for advisory clients. To avoid any potential conflict of interest, transactions affected for principals or employees of AHB within the same time frame as those for clients will be executed at an average price identical to that

paid by or to clients. In such circumstances, orders for AHB principals and employees are aggregated with client orders in a manner identical of that explained in the order aggregating section of this brochure regarding AHB average pricing policy. As a matter of policy, AHB prohibits its principals and employees from effecting transactions immediately prior to or after transactions in the same security effected for clients. All transactions are reviewed on a daily basis to ensure adherence to the foregoing policies. AHB receives no payment for order flow.

Item 9 [B, 13 of Part 2A]

Review of Accounts

Periodic Reviews and Review Triggers

Client accounts are generally monitored daily for consistency with client objectives and restrictions. Portfolio managers and our compliance department perform periodic reviews of each client account on our internal portfolio accounting system. Among other reviews, asset allocation and account performance is monitored. For Model Portfolios, AHB reviews and evaluates model structure and strategy to ensure compliance with the strategies investment objectives, policies and restrictions.

At least annually and more frequently when market conditions dictate, a portfolio is reviewed with the client and/or financial advisor who referred the account. Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

Regular Reports

AHB direct investment advisory Private Clients receive written quarterly reports. The written quarterly update generally include an Investment Outlook, portfolio holdings, performance for the period, year to date and since inception and the portfolio's stated investment objectives. The clients for which AHB is providing portfolio management services for another firm's Wrap Fee Programs, AHB will send such written quarterly reports if directed to the financial advisor. All advisory clients will receive monthly statements directly from their chosen qualified custodian.

Item 9 [B, 14 of Part 2A]

Client Referrals and Other Compensation

Incoming Client Referrals

AHB has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. Often AHB does not compensate referring parties for these referrals. In other cases, we have referral fee arrangements with unaffiliated persons. These arrangements comply with Rule 206(4)-3 and Rule 206(4) -5 requirements under the Investment Advisors Act of 1940. In all cases, clients who are referred by these individuals or organizations do not pay a higher advisory fee than clients who approached or are solicited by AHB directly. Additionally, referral agreements provide that those who refer clients to AHB provide disclosure documents to prospective

clients, including but not limited to the most current brochure and documents that disclose, among other things, the nature of the compensation agreement between AHB and the referral party.

AHB does not accept referral fees or any form of remuneration from other professionals when AHB refers a prospect or client to them.

Item 9 [B, 18 of Part 2A]

Financial Information

Financial Condition

AHB does not have any financial commitment that impairs the firm from meeting contractual commitments to clients and has never been the subject of a bankruptcy proceeding. A balance sheet is not required to be provided because AHB does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, six months or more in advance.

Item 4 [A]

Appendix A

Annual Wrap Fee Program Fees:

<u>Portfolio Size</u>	<u>Fixed Income (100%)</u>	<u>*Custom Balanced (50%/50%)</u>	<u>Core Equity (100%)</u>	<u>Aggressive Equity (100%)</u>
\$ 500,000 - \$ 999,999	0.40%	0.75%	1.00%	1.25%
\$ 1,000,000 - \$ 9,999,999	0.35%	0.65%	0.90%	1.25%
\$ 10,000,000 +	0.30%	0.55%	0.75%	1.25%

* Custom Balanced portfolios with equities representing less than 50% of the total assets are subject to lesser advisory fees while portfolios with equities representing more than 50% of the total assets are subject to greater advisory fees depending upon size, asset allocation and complexity of the portfolio.