

Item 1 – Cover Page

Rall Capital Management, Inc.

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www.rallcapital.com

This brochure was last updated January 1, 2011.

This brochure provides information about the qualifications and business practices of Rall Capital Management, Inc. If you have any questions about the contents of this brochure, please contact us at (321) 452-1251 and/or bob@rallcapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Rall Capital Management, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov. Click on the "Investment Adviser Search" link and then search for "Investment Adviser Firm" using the firm's IARD number, which is 132827.

Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission (SEC) published "Amendments to Form ADV," which amends the disclosure document that we provide to clients as required by SEC Rules. This brochure dated January 1, 2011, is materially different in structure and requires certain new information that our previous brochure did not require. Pursuant to the new SEC Rules, we will ensure that all our current clients receive this brochure, in its entirety, by May 30, 2011.

In the future, this Item will discuss only specific material changes that are made to the brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

Currently, our brochure may be requested by contacting Robert J. Rall, Chief Compliance Officer, at (321) 452-1251 or bob@rallcapital.com.

Additional information about Rall Capital Management, Inc. is also available via the SEC's website, www.adviserinfo.sec.gov. The SEC's website also provides information about any persons affiliated with Rall Capital Management, Inc. who are registered, or are required to be registered, as investment adviser representatives of Rall Capital Management, Inc.

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Item 4 – Advisory Business

About Rall Capital Management, Inc.

Rall Capital Management, Inc. (RCM) is a corporation formed in 2004 in the state of Florida. The principal owner of the firm is Robert J. Rall, CFP®. The major decisions of a strategic and administrative nature for the firm are undertaken by Mr. Rall.

This narrative brochure provides clients with information regarding RCM and the qualifications, business practices, and nature of advisory services that should be considered before becoming an advisory client of RCM.

Prior to engaging RCM to provide services, clients are generally required to enter into an agreement with RCM setting the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to RCM beginning services. If requested by the client, RCM may recommend the services of other professionals for implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from RCM. If a client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. It remains the client's responsibility to promptly notify RCM if there is ever any change in the client's financial situation or investment objectives for the purpose of reviewing/evaluating/revising RCM's previous recommendations and/or services.

Financial Planning and Consulting

RCM offers broad-based financial planning services. Such advice will typically involve providing a variety of services, principally advisory in nature, to clients regarding the management of the client's financial resources based upon an analysis of each client's individual needs. The process typically begins with an initial complimentary consultation. During or after the initial consultation, if the client decides to engage RCM for financial planning services, pertinent information about the client's personal and financial circumstances and objectives is collected. Financial planning clients may also be required to complete an investment related questionnaire as part of the information gathering process. As required, RCM will conduct follow up interviews for the purpose of

reviewing and/or collecting financial data. Once such information has been studied and analyzed, a written financial plan – designed to achieve the client’s expressed financial goals and objectives – will be produced and presented to the client.

To the extent requested by the client, financial planning advice may be rendered in the areas of retirement planning, personal tax and cash flow planning, estate planning, insurance planning, college planning, and compensation and benefits planning, among others.

Financial plans are based on the client’s financial situation at the time the plan is presented and are based on financial information disclosed by the client to RCM. Clients are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. RCM cannot offer any guarantees or promises that the client’s financial goals and objectives will be met. As the client’s financial situation, goals, objectives, or needs change, the client must notify RCM promptly.

In performing services, RCM shall not be required to verify any information received from the client or from the client’s other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information.

Investment Management

The client may engage RCM to provide both ongoing financial planning and investment management on a *fee-only* basis. The scope of the ongoing annual financial planning to be rendered by RCM as part of the annual fee is intended to generally be limited to reviewing/evaluating/revising RCM's previous recommendations and/or services relative to a change in the client's financial situation and/or investment objectives.

RCM provides clients with investment management designed to help the client meet long-term financial planning goals. Portfolios are developed after a careful analysis of the client’s goals and risk tolerance. The portfolio will be diversified among several asset classes including domestic and international equities, fixed income, and real estate. The goal is to find the appropriate asset mix that will most efficiently balance the risk and return attributes of each asset. The portfolio is managed to maintain that balance.

RCM will typically construct the portfolio with no-load mutual funds, exchange traded funds, and other appropriate investment vehicles. RCM will build the portfolio with a focus on the most cost-effective and tax-efficient ways to achieve the overall investment mix.

Subject to any written guidelines, which the client may provide, RCM will be granted discretion and authority to manage the account. Accordingly, RCM is authorized to perform various functions, at the client's expense, without further approval from the client. Such functions include making all investment decisions on the (a) securities purchased/sold and (b) the amount of securities to be purchased/sold. Once the portfolio is constructed, RCM provides ongoing supervision and rebalancing of the portfolio as changes in market conditions and client circumstances may require.

RCM primarily allocates investment management assets of its client accounts on a discretionary basis, in accordance with the investment objectives of the client. Unless the client directs otherwise, RCM shall primarily recommend that all investment management accounts be maintained at Fidelity Institutional Wealth Services (Fidelity).

After consultation with RCM, clients may impose restrictions on investing in certain securities or types of securities. Other restrictions may be imposed by clients with respect to the (average or longest) maturity or credit quality of fixed income investments. In either case, all restrictions must be in writing.

Trade Error Policy

Should they occur, losses resulting from RCM's trade errors shall be reimbursed by RCM, but RCM shall not credit accounts for such errors resulting in market gains. The gains and losses are reconciled within RCM's custodian firm account, and while RCM does not receive any net benefit, RCM retains the net gains and losses to use against any future trade errors that may occur.

Client Obligations

In performing its services, RCM is not required to verify any information received from the client or from the client's other professionals. Moreover, each client is advised that it remains his or her responsibility to promptly notify RCM if there is ever any change in the client's financial situation or investment objectives during the client engagement.

Disclosure Statement

A copy of RCM's written brochure as set forth on Part 2 of Form ADV shall be provided to each client prior to, or at the same time as, the execution of the *Investment Advisory Agreement*. Any client who has not received a copy of RCM's written brochure at least 48 hours prior to executing the *Investment Advisory Agreement* shall have five business

days subsequent to executing the agreement to terminate the RCM's services without penalty.

Non-Participation in Wrap Fee Programs

RCM, as a matter of policy and practice, does not sponsor any wrap fee program. A wrap fee program is defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment supervisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions.

Amount of Assets Under Management

As of December 31, 2010, RCM provided advice on approximately \$17,394,143 in assets for approximately 55 clients. All of these assets are managed on a discretionary basis.

Our Policy on Class Action Lawsuits

From time to time, securities held in the accounts of clients may be the subject of class action lawsuits. RCM has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. It also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, RCM has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

Where RCM receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials, to the client. Electronic mail is acceptable where appropriate if the client has authorized contact in this manner.

Item 5 – Fees and Compensation

Financial Planning

RCM may provide such services through a one time or annual engagement. RCM will charge a fixed fee and/or hourly fee for these services. RCM's financial planning fees are negotiable, but generally range from \$1,500 to \$5,000 on a fixed fee basis, depending upon the level and scope of the services. This fee will be detailed in the engagement letter which will describe the scope of the planning relationship. The fee is due and payable at time of engagement. Fees may be reduced for existing clients receiving updated plans, or plans based on new financial circumstances.

Either party may terminate the agreement by written notice to the other. In the event the client terminates RCM's financial planning services, the balance of RCM's unearned fees (if any) shall be refunded to the client. If termination occurs within five business days of entering into an agreement for such services, the client shall be entitled to a full refund.

Clients may act on RCM's recommendations by placing securities transactions with any brokerage firm the client chooses. The client is under no obligation to act on RCM's financial planning recommendations. Moreover, if the client elects to act on any of the recommendations, the client is under no obligation to implement the financial plan through RCM.

Investment Management

In the event the client determines to engage RCM to provide investment management services, RCM shall do so on a fee-only basis. If engaged, RCM shall charge an annual fee based upon a percentage of the market value of the assets being managed by RCM. RCM's annual fee shall be prorated and charged quarterly, in advance, based upon the market value of the assets on the last day of the previous quarter. The annual fee shall vary depending upon the market value of the assets under management:

Portfolio Size	Annualized Fee*
First \$500,000	1.25%
\$500,001 to \$1,000,000	1.00%
\$1,000,001 to \$3,000,000	0.75%
\$3,000,001 to \$5,000,000	0.50%
\$5,000,001 and above	0.25%

*Client accounts may be aggregated for fee calculations.

For the initial quarter of investment management services, the first quarter's fees shall be calculated on a *pro rata* basis.

Payment for management fees will be made by the qualified custodian holding the client's funds and securities, provided the client provides written authorization permitting the fees to be paid directly from the client's account. RCM will not have access to client funds for payment of fees without client consent in writing. Further, the qualified custodian agrees to deliver a quarterly account statement directly to the client showing all disbursements from the account. The client is encouraged to review their account statements for accuracy. RCM will receive a duplicate copy of the statement that was delivered to the client. Alternatively, RCM may invoice clients directly for portfolio management fees. When clients are billed directly, payment is due upon receipt of RCM's invoice.

General Information Regarding Advisory Services and Fees

RCM does not represent, warrant, or imply that the services or methods of analysis used by RCM can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections.

Advice offered by RCM may involve investments in mutual funds. Clients are hereby advised that all fees paid to RCM for investment supervisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders, as described in each fund's prospectus. These fees will generally include a management fee and other fund expenses. Further, transaction charges may be applicable when purchasing and selling securities. RCM does not share in any portion of the brokerage fees and/or transaction charges imposed by the broker-dealer/custodian holding the client funds or securities. Clients should review all fees charged by mutual funds, RCM, and others to fully understand the total amount of fees to be paid by the client.

Clients may also incur "account termination fees" upon the transfer of an account from one brokerage firm (broker-dealer/custodian) to another. These account termination fees are believed to range generally from \$0 to \$200 at present, but at times may be much higher. Clients should contact their custodians (brokerage firms, banks, or trust companies, etc.) to determine the amount of account termination fees which may be charged and deducted from their accounts for any existing accounts which may be transferred.

Such charges, fees, and commissions are exclusive of and in addition to the firm's fee, and the firm does not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that the firm considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

The vast majority of clients pay RCM's fees based upon a percentage of the assets advised upon. This is a very common form of compensation for registered investment supervisory firms and avoids the multiple inherent conflicts of interest associated with commission-based compensation (RCM does not accept commission-based compensation of any nature, nor does RCM accept 12b-1 fees).

Asset-advised-upon percentage method of compensation can still at times lead to conflicts of interest between our firm and our client as to the advice we provide. For example, conflicts of interest may arise relating to the following financial decisions in life: incurrence or paying down of debt; gift funds to charities or to individuals; purchases of a (larger) home or cars or other non-investment assets; purchase of a lifetime immediate annuity; expenditures of funds for travel or other activities; investment in private equity investments (private real estate ventures, closely held businesses, etc.), and the amount of funds to place in non-managed cash reserve accounts. RCM's goal is that advice to the client remains at all times in your best interest, disregarding any impact of the decision upon RCM.

Termination

The client may terminate any new agreement without penalty by providing written notice of such cancellation to RCM within five (5) business days of the date of signing the agreement. Following the five-day cancellation period, the first period's fee is not refundable due to the large volume of initial work to be undertaken by RCM. Thereafter, either party may terminate the agreement without penalty upon notice in writing to the

other party. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, with the refund calculations based pro rata to the date of termination. Upon the termination of the agreement, RCM will not possess any obligation to recommend or take any action with regard to the securities, cash, or other investments in a client's account.

The agreement for portfolio management will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Agreement*.

RCM believes that the charges and fees offered within its program are competitive with alternative programs available through other firms offering a similar range of services; however, lower fees for comparable services may be available from other sources. A client could invest in mutual funds directly, without the services of RCM. In that case, the client would not receive the services provided by RCM which are designed, among other things, to assist the client in determining which investments are most appropriate to each client's financial condition and objectives, undertake a disciplined approach to portfolio rebalancing while taking into account the tax ramifications of same, and to avoid ad hoc emotional reactions to shorter-term market events. Also, some of the funds used by the firm may not be available to the client directly without the use of an investment adviser granted access to such funds.

RCM's relationship with each client is non-exclusive; in other words, RCM provides investment supervisory services and financial planning services to multiple clients. RCM seeks to avoid situations in which one client's interest may conflict with the interest of another of its clients.

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

Item 6 is not applicable to RCM. RCM does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). Such acceptance or management would pose a significant conflict of interest to our clients because performance-based fees may provide an incentive to favor such accounts over the accounts of clients under our other advisory programs. RCM considers avoidance of such conflict a paramount policy in maintaining our fiduciary duty to our clients.

Item 7 – Types of Clients

RCM offers personalized investment supervisory services to individuals. Client relationships vary in scope and length of service.

Required Minimum Client Accounts

There is no account size minimum.

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

Before designing investment plans for clients, RCM will evaluate the client's investments to determine whether the client's goals harmonize with the client's financial objectives. In designing investment plans for clients, RCM relies upon the information supplied by the client and the client's other professional advisors. Such information may pertain to the client's financial situation, estate planning, tax planning, risk management, short-term and long-term lifetime financial goals and objectives, investment time horizon, and perceived current tolerance for risk. RCM will design and propose a portfolio to help clients attain their financial goals.

This information will become the basis for the strategic asset allocation plan which RCM believes will best meet the client's stated long term personal financial goals. The strategic asset allocation provides for investments in those asset classes which RCM believes will possess attractive combinations of return, risk, and correlation over the long term.

When RCM invests client assets, asset allocation techniques are used which include stocks and bonds of varying characteristics and from both the United States and foreign markets. RCM invests for the long term and expects that not all investments in a given portfolio will perform in unison with other assets in the same portfolio. RCM does not systematically re-balance the portfolio on a regular basis, but monitors each portfolio's asset allocation to make adjustments where appropriate. RCM's portfolio management decisions are generally made considering the assets being managed; however, if agreed upon in advance with the client, RCM may take into consideration other investments the client may hold.

RCM may also provide advice on any type of investment held in a client's portfolio at the inception of the advisory relationship. RCM will explore other investment options at the client's request. Additionally, RCM reserves the right to advise clients on any other type of investment that it deems appropriate based on the client's stated goals and objectives.

RCM may utilize fundamental analysis. Fundamental analysis is performed on historical and present data, with the goal of making financial forecasts. The main sources of information include financial newspapers and magazines, research materials prepared

by others, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

Other sources that the firm may use include Morningstar mutual fund information, Morningstar stock information, and the worldwide web.

Investment Strategies

The primary investment strategy used on client accounts is asset allocation based on Modern Portfolio Theory. RCM develops a diversified investment portfolio by mixing different assets in varying proportions depending on the client's goals. The primary purpose of asset allocation is to reduce the risk in the portfolio, while maintaining or enhancing the rate of return of the portfolio. Portfolios are globally diversified to control the risk associated with traditional markets.

Investment strategies are generally long term in nature, depending upon the stated individual needs of the client. RCM's general investment strategy may be both conservative and long range or follow a strategy that is guided by the client's wishes. RCM generally provides advisory services for portfolios ranging from moderately aggressive to conservative, each designed to meet the needs of the clients. RCM generally does not engage in short-term trading except where an investment is sold because the purpose for the holding is no longer applicable or at the request of the client.

Each client receives investment advice regarding their portfolio based upon his or her:

- Time Horizon
- Risk Tolerance
- Expected Rate of Return
- Asset Class Preferences

The investment vehicles used to invest in the various asset classes are mutual funds, exchange-traded funds (ETFs), individual securities, options as well as the securities components of variable annuities. Typically the individual securities are transferred in with a client and may continue to be held for tax or other reasons. The mutual funds and ETFs provide:

- Professional Management
- Diversification
- Flexibility
- Liquidity

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.

RCM's primary investment strategy – long-term purchases – is a fundamental investment strategy. RCM's methods of analysis and investment strategies do not present any significant or unusual risks. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment period to allow for the strategy to potentially develop.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. RCM's investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

Interest-rate Risk: The risk that investment returns will be affected by changes in the level of interest rates. When interest rates increase, the prices and values of bonds decrease. When interest rates decrease, the prices and values of bonds increase.

Market Risk: The risk that investment returns will be affected by changes in the overall financial markets. When the markets, as a whole increases or decreases, virtually all securities are affected to some degree.

Reinvestment Rate Risk: The risk incurred when an investment's income is reinvested at a lower rate than the rate that existed at the time the original investment was made. This risk is most prevalent when interest rates fall.

Purchasing Power Risk (Inflation Risk): The risk that inflation will affect the return of an investment in real dollars. In other words, the amount of goods that one dollar will purchase decreases with time. Investments that have low returns, such as savings accounts, are not likely to keep up with inflation. Investments with fixed returns, such as bonds, will decrease in value because their purchasing value will decrease with inflation.

Business Risk: The risk associated with a particular industry or firm. These are factors that affect the industry or firm, but do not affect the whole market. They include government regulations, management competency, or local or regional economic factors.

Financial Risk: The risk associated with the mix of debt and equity used to finance a firm. The greater the financial leverage, the greater the financial risk.

Currency Risk (Exchange Rate Risk): The risk that a change in the value of a foreign currency relative to the U.S. dollar will negatively affect a U.S. investor's return.

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.

In general, cash equivalents provide liquidity with minimum income, and a return of principal with no capital appreciation. Cash equivalents are, however, subject to purchasing power risk.

Fixed income investments provide current income. Usually, the longer the maturity of the security, the higher the income it will generate. Also, with longer maturities, fixed income investments will have greater price volatility and greater opportunity for capital gains or capital losses. Fixed income investments are subject to interest rate risk, reinvestment rate risk, and purchasing power risk. In addition, foreign bonds would be subject to currency rate risk and junk bonds would be subject to business risk and financial risk.

The return of principal for bond funds and funds with significant underlying bond holdings is not guaranteed. Mutual fund shares are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings. Lower-rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher-rated bonds.

Equity investments are subject to greater volatility, thus providing a greater opportunity for capital gains, and a greater risk of capital losses. Equity investments offer little or no current income. Equity investments are subject to market risk and interest rate risk, while providing an opportunity to protect against purchasing power risk. Also, stock

mutual funds, rather than individual equities, may limit the exposure to business risk and financial risk.

Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity, and price volatility. These risks may be heightened in connection with investments in developing countries. Small-company stocks entail additional risks, and they can fluctuate in price more than larger company stocks.

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

Different types of investments involve varying degrees of risk, and the client should not assume that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended by RCM) will be profitable or equal to any specific performance level(s).

Item 9 – Disciplinary Information

RCM has no reportable legal or disciplinary events.

Item 10 – Other Financial Industry Activities and Affiliations

Neither RCM nor its representatives are registered or have an application, pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither RCM nor its representatives are registered or have an application, pending to register, as a futures commission merchant, a commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

RCM does not have any relationship or arrangement that is material to its advisory business or to its clients with any related person.

RCM may recommend or select other investment advisors for its clients.

Item 11 – Code of Ethics

Robert J. Rall, principal of RCM, is a member of the Financial Planning Association (FPA) and has adopted the Code of Ethics set for by the organization. The Code of Ethics applies to all supervised persons of the firm and describes RCM's high standard of business conduct and fiduciary duty to its clients. The Code of Ethics is built upon the principles of Integrity, Competence, Fairness, Confidentiality, Professionalism and Diligence.

RCM's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Bob Rall at (321) 452-1251 or bob@rallcapital.com.

It is RCM's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. RCM will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices

In the event the client requests that RCM recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct RCM to use a specific broker-dealer/custodian), RCM generally recommends Fidelity Institutional Wealth Services (Fidelity). Prior to engaging RCM to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with RCM setting forth the terms and conditions under which RCM shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that RCM considers in recommending Fidelity (or any other broker-dealer/custodian to clients) include historical relationship with RCM, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by RCM's clients shall comply with RCM's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction. If this occurs, it is because RCM determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although RCM will seek competitive rates, it may not necessarily obtain the lowest possible commission or transaction rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, RCM investment management fee. RCM's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, RCM may receive from Fidelity (or another broker-dealer/custodian) without cost (and/or at a discount) support services and/or products, of which assist RCM to better monitor and service client accounts maintained at such institutions. Included within the support services that may

be obtained by RCM are investment-related research, pricing information and market data; software and other technology that provide access to client account data; compliance and/or practice management-related publications; discounted or gratis consulting services; discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events; marketing support; computer hardware and/or software; and/or other products used by RCM in furtherance of its investment supervisory business operations.

As indicated above, certain of the support services and/or products that may be received may assist RCM in managing and administering client accounts. Others do not directly provide such assistance, but rather assist RCM to manage and further develop its business enterprise.

RCM's clients do not pay more for investment transactions effected and/or assets maintained at Fidelity as a result of this arrangement. There is no corresponding commitment made by RCM to Fidelity or any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities, or other investment products as result of the above arrangement.

RCM's Chief Compliance Officer, Robert J. Rall, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

Aggregation of Client Trades

To the extent that RCM provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless RCM decides to purchase or sell the same securities for several clients at approximately the same time. RCM may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among RCM's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. RCM shall not receive any additional compensation or remuneration as a result of such aggregation.

RCM employees are not registered representatives of Fidelity or any other custodian/broker-dealer and do not receive any commissions or fees from recommending these services.

Directed Brokerage

Some clients may instruct RCM to use one or more particular brokers for the transactions in their accounts. Clients who may want to direct RCM to use a particular broker should understand that this may prevent RCM from effectively negotiating brokerage compensation on their behalf. This arrangement may also prevent RCM from obtaining the most favorable net price and execution. Thus, when directing brokerage business, clients should consider whether the commission expenses and execution, clearance and settlement capabilities that they will obtain through their broker are adequately favorable in comparison to those that RCM would otherwise obtain for its clients. Clients are encouraged to discuss available alternatives with their advisory representative.

Item 13 – Review of Accounts

For those clients to whom RCM provides investment management supervisory services, account reviews will be conducted on an ongoing basis by Robert J. Rall. All investment supervisory clients are advised that it remains their responsibility to advise RCM in writing of any changes in the client's investment objectives and/or financial situation, or if the client wishes to impose any reasonable restrictions on RCM's discretionary management services. All clients (in person or electronically) are encouraged to review investment objectives and account performance with RCM on an annual basis.

RCM may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event such as a market correction, large deposits or withdrawals from an account, substantial changes in the value of a client's portfolio, change in the client's investment objectives, and client request.

Reports to Clients

The account custodian provides trade confirmation and monthly statements to clients. Those clients to whom RCM provides investment advisory services will generally receive quarterly reports summarizing the accounts and the asset allocation. Additional reports are available and will be provided on an ad hoc basis.

Those clients to whom RCM provides financial planning services will receive reports summarizing RCM analysis and conclusions as requested by the client or otherwise agreed to in writing.

Item 14 – Client Referrals and Other Compensation

As referenced in Item 12 above, RCM may receive an indirect economic benefit from Fidelity. RCM, without cost (and/or at a discount), may receive support services and/or products from Fidelity.

RCM periodically receives client referrals from websites where they may be listed. In no case will the client pay any additional fees to RCM for services if the referral comes from any of these listings.

Item 15 – Custody

It is RCM's policy to not accept custody of a client's securities. In other words, RCM is not granted access to clients' accounts which would enable RCM to withdraw or transfer or otherwise move funds or cash from any client account to RCM's accounts or the account of any third party (other than for purposes of fee deductions, as explained below). This is for the safety of the client's assets.

However, with a client's consent, RCM may be provided with the authority to seek deduction of RCM's fees from a client's accounts; this process generally is more efficient for both the client and the investment adviser. The account custodian does not verify the accuracy of RCM's advisory fee calculation.

All of RCM's clients receive account statements directly from qualified custodians, such as a bank or broker-dealer that maintains those assets. The client should carefully review these account statements and compare them to the quarterly or other reports provided by RCM. Statements provided by RCM may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. RCM urges all of its clients to compare statements in order to ensure that all account transactions, including deductions to pay advisory fees, remain proper, and to contact Robert J. Rall, Chief Compliance Officer, with any questions.

Item 16 – Investment Discretion

RCM usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. Prior to RCM assuming discretionary authority over a client's account, the client shall be required to execute an *Investment Advisory Agreement*, granting RCM authority to buy, sell, or otherwise effect investment transactions. In addition, any investment discretion is obtained in writing through a limited power of attorney signed by the client prior. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

Discretionary authority allows RCM to perform trades in the client's account without further approval from the client. This includes decisions on the following:

- Securities purchased or sold
- The amount of securities to be purchased or sold

Once the portfolio is constructed, RCM provides ongoing supervision and rebalancing of the portfolio as changes in market conditions and client circumstances may require.

RCM seeks to undertake a minimal amount of trading in client accounts, in order to keep transaction fees, other expenses, and tax consequences associated with trading to minimal levels.

Clients who engage RCM on a discretionary basis may, at any time, impose restrictions, in writing, on RCM's discretionary authority (i.e., limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe RCM's use of margin, etc.).

Item 17 – Voting Client Securities

Client may authorize RCM to take responsibility to vote all proxies and act upon all corporate actions requiring shareholder actions in a timely and consistent manner as part of its limited authority for the designated account(s), as well as specific securities directly purchased or authorized for purchase by the client but not managed by RCM, in accordance with RCM'S Proxy Voting Policies and Procedures. When voting proxies, RCM's utmost concern is that all decisions be made solely in the best interest of the client (and for ERISA accounts, plan beneficiaries and participants, in accordance with the letter and spirit of ERISA). RCM will act in a prudent and diligent manner intended to enhance the economic value of the assets of the client's account.

If it is determined that a proxy proposal raises a material conflict between RCM's interests and a client's interest, RCM will resolve such a conflict by 1) voting in accordance with the guidelines, 2) if the guidelines are not specific, voting in proportion to other shareholders not affiliated with RCM, or 3) if proportional voting information is not available, abstaining from voting and, if in the client's best interest to vote, forwarding the proxy voting materials to the client.

Clients may obtain a copy of RCM's complete proxy voting policies and procedures upon request. Clients may also obtain information from RCM about how RCM voted any proxies on behalf of their account(s).

In the case clients decide to take responsibility to vote all proxies, the clients will receive the proxies and other solicitations directly from the custodian or transfer agent. When assistance on voting proxies is requested under these circumstances, the client may contact RCM with questions about a particular solicitation.

Item 18 – Financial Information

RCM does not require the prepayment of more than \$500 in fees per client, six months or more in advance. RCM accepts limited forms of discretion over clients' accounts, as described in Item 16 of this brochure. RCM is unaware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. RCM has never been the subject of a bankruptcy proceeding.

Item 19 – Requirements for State-Registered Advisers

Robert J. Rall, CFP®

Educational Background and Business Experience

Robert (Bob) J. Rall, CFP® was born in 1957. Bob has been the owner of Rall Capital Management, Inc. since 2004.

Education:

Bachelor's Degree, Ohio University, 1980
College of Financial Planning, 1998

Professional Certifications

Certifications and credentials are required to be explained in further detail.

Certified Financial Planner (CFP®) The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

As of January 1, 2011, to attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements. The qualifications may not have been in place when the credential was obtained.

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a bachelor’s degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real-world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Other Business Activities

Robert J. Rall has no information applicable to this item.

Compensation

Robert J. Rall has no information applicable to this item.

Supervision

Robert J. Rall has no information applicable to this item.

Requirements for State-Registered Advisers

Arbitration Claims:	None
Self-Regulatory Organization or Administrative Proceedings:	None
Bankruptcy Petition:	None