

**FORM ADV**

**Uniform Application for Investment Adviser Registration**

**Part II - Page 1**

Name of Investment Adviser: Hanlon Investment Management, Inc.				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number:
3393 Bargaintown Road, Suite 200	Egg Harbor Twp.	NJ	08234	(609) 601-1200

**This part of Form ADV gives information about the investment adviser and its business for the use of clients. The information has not been approved or verified by any governmental authority.**

**Table of Contents**

<u>Item Number</u>	<u>Item</u>	<u>Page</u>
1	Advisory Services and Fees .....	2
2	Types of Clients .....	2
3	Types of Investments .....	3
4	Methods of Analysis, Sources of Information and Investment Strategies .....	3
5	Education and Business Standards.....	4
6	Education and Business Background.....	4
7	Other Business Activities.....	4
8	Other Financial Industry Activities or Affiliations .....	4
9	Participation or Interest in Client Transactions.....	5
10	Conditions for Managing Accounts .....	5
11	Review of Accounts.....	5
12	Investment or Brokerage Discretion .....	6
13	Additional Compensation .....	6
14	Balance Sheet.....	6
	Continuation Sheet.....	Schedule F
	Balance Sheet, if required .....	Schedule G
	.....	

(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

**Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

**FORM ADV**  
**Part II - Page 2**

Applicant: Hanlon Investment Management, Inc.	SEC File Number: 801-60889	Date: 4/6/2010
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1. **A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service (See instruction below.)

**Applicant:**

<input checked="" type="checkbox"/>	(1) Provides investment supervisory services.....	98	%
<input checked="" type="checkbox"/>	(2) Manages investment advisory accounts not involving investment supervisory services .....	2	%
<input type="checkbox"/>	(3) Furnishes investment advice through consultations not included in either service described above .....	0	%
<input type="checkbox"/>	(4) Issues periodicals about securities by subscription.....	0	%
<input type="checkbox"/>	(5) Issues special reports about securities not included in any service described above.....	0	%
<input type="checkbox"/>	(6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities .....	0	%
<input type="checkbox"/>	(7) On more than an occasional basis, furnishes advice to clients on matters not involving securities .....	0	%
<input type="checkbox"/>	(8) Provides a timing service.....	0	%
<input type="checkbox"/>	(9) Furnishes advice about securities in any manner not described above .....	0	%

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term? ..... Yes  No

C. Applicant offers investment advisory services for: (check all that apply)

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input type="checkbox"/> (2) Hourly charges                                     | <input type="checkbox"/> (5) Commissions       |
| <input type="checkbox"/> (3) Fixed fees (not including subscription fees)       | <input type="checkbox"/> (6) Other             |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of clients** -- Applicant generally provides investment advice to: (check those that apply)

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals                      | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations                    |
| <input type="checkbox"/> B. Banks or thrift institutions                | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input checked="" type="checkbox"/> C. Investment companies             | <input checked="" type="checkbox"/> G. Other (describe on Schedule F)                                  |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans |  |

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

Applicant: Hanlon Investment Management, Inc.	SEC File Number: 801- 60889	Date: 04/06/2010
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**3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> A. Equity securities<br>(1) exchange-listed securities<br><input checked="" type="checkbox"/> (2) securities traded over-the-counter<br><input type="checkbox"/> (3) foreign issues | <input checked="" type="checkbox"/> H. United States government securities   |
| <input type="checkbox"/> B. Warrants  | <input type="checkbox"/> I. Options contracts on:<br>(1) securities<br><input type="checkbox"/> (2) commodities  |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper)  | <input type="checkbox"/> J. Futures contracts on:<br>(1) tangibles<br><input type="checkbox"/> (2) intangibles   |
| <input checked="" type="checkbox"/> D. Commercial paper   | <input type="checkbox"/> K. Interests in partnerships investing in:<br>(1) real estate<br><input type="checkbox"/> (2) oil and gas interests<br><input type="checkbox"/> (3) other (explain on Schedule F) |
| <input type="checkbox"/> E. Certificates of deposit   | <input checked="" type="checkbox"/> L. Other (explain on Schedule F)   |
| <input checked="" type="checkbox"/> F. Municipal securities   |  |
| <input type="checkbox"/> G. Investment company securities:<br>(1) variable life insurance<br><input checked="" type="checkbox"/> (2) variable annuities<br><input checked="" type="checkbox"/> (3) mutual fund shares   |  |

**4. Methods of Analysis, Sources of Information, and Investment Strategies.**

A. Applicant's security analysis methods include: (check those that apply)

- |   |  |
|---|--|
| (1) <input checked="" type="checkbox"/> Charting    | (4) <input type="checkbox"/> Cyclical                      |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical   |  |

B. The main sources of information applicant uses include: (check those that apply)

- |   |   |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines    | (5) <input type="checkbox"/> Timing services  |
| (2) <input type="checkbox"/> Inspections of corporate activities              | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases  |
| (4) <input checked="" type="checkbox"/> Corporate rating services             | (8) <input type="checkbox"/> Other (explain on Schedule F)  |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- |  |  |
|--|--|
| (1) <input checked="" type="checkbox"/> Long term purchases<br>(securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions  |
| (2) <input checked="" type="checkbox"/> Short term purchases<br>(securities sold within a year)  | (6) <input type="checkbox"/> Option writing, including covered options,<br>uncovered options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days)                            | (7) <input type="checkbox"/> Other (explain on Schedule F)   |
| (4) <input checked="" type="checkbox"/> Short sales  |  |

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**FORM ADV**  
**Part II - Page 4**

Applicant: Hanlon Investment Management, Inc.	SEC File Number: 801- 60889	Date: 04/06/2010
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**5. Education and Business Standards.**

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? .....  Yes  No  
(If yes, describe these standards on Schedule F.)

**6. Education and Business Background.**

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- |                 |  |
|-----------------|--|
| • name          | • formal education after high school               |
| • year of birth | • business background for the preceding five years |

**7. Other Business Activities.** (check those that apply)

- A. Applicant is actively engaged in a business other than giving investment advice.
- B. Applicant sells products or services other than investment advice to clients.
- C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.
- (For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations.** (check those that apply)

- A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- |  |  |
|--|--|
| <input type="checkbox"/> (1) broker-dealer   | <input type="checkbox"/> (7) accounting firm                                       |
| <input type="checkbox"/> (2) investment company  | <input type="checkbox"/> (8) law firm  |
| <input type="checkbox"/> (3) other investment adviser  | <input type="checkbox"/> (9) insurance company or agency                           |
| <input type="checkbox"/> (4) financial planning firm   | <input type="checkbox"/> (10) pension consultant                                   |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer                         |
| <input type="checkbox"/> (6) banking or thrift institution   | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?.....  Yes  No  
(If yes, describe on Schedule F the partnerships and what they invest in.)

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

Applicant: Hanlon Investment Management, Inc.	SEC File Number: 801- 60889	Date: 04/06/2010
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**9. Participation or Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?..... Yes  No

(If yes, describe on Schedule F.)

**11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

*Please see the disclosure set forth on Schedule F to this Form ADV.*

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

*Please see the disclosure set forth on Schedule F to this Form ADV.*

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

Applicant: Hanlon Investment Management, Inc.	SEC File Number: 801- 60889	Date: 04/06/2010
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**12. Investment or Brokerage Discretion.**

- A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:
- |  |                                     |                                     |
|--|-------------------------------------|-------------------------------------|
| (1) securities to be bought or sold? .....               | Yes                                 | No                                  |
|  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (2) amount of the securities to be bought or sold? ..... | Yes                                 | No                                  |
|  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (3) broker or dealer to be used? .....                   | Yes                                 | No                                  |
|  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (4) commission rates paid? .....                         | Yes                                 | No                                  |
|  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |

- B. Does applicant or a related person suggest brokers to clients? ..... Yes  No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- |   |                                     |                          |
|---|-------------------------------------|--------------------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ..... | Yes                                 | No                       |
|   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes                                 | No                       |
|   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities; or
  - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Yes  No
- Has applicant provided a Schedule G balance sheet? .....

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

Applicant:	SEC File Number:	Date:
Hanlon Investment Management, Inc.	801- 60889	04/06/2010

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1.	Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Hanlon Investment Management, Inc.	IRS Empl. Ident. No.: 22-3723068								
Item of Form (identify)	Answer									
1D	<p>Registrant provides discretionary investment management services to individuals, investment companies pension and profit sharing plans, trusts, estates, charitable organizations, and business entities in accordance with the investment objective(s) of the client. Registrant generally does not provide financial planning or other consulting services. To the extent specifically requested by a client, Registrant may provide limited consultation services to its investment management clients on investment and non-investment related matters. Any such consultation services, to the extent rendered, shall be rendered exclusively on an unsolicited basis, for which Registrant may or may not receive additional compensation, as further discussed below.</p> <p>In the event the client determines to engage Registrant to provide investment management services, Registrant may do so on a fee-only basis. If engaged, Registrant shall charge an annual fee based upon a percentage of the market value of the assets being managed by the Registrant. As discussed in response to Item 12B (below), Registrant's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Registrant'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 and the type of investment management services to be rendered, as follows:</p> <table border="1"> <thead> <tr> <th><u>PORTFOLIO VALUE</u></th> <th><u>ANNUAL FEE</u></th> </tr> </thead> <tbody> <tr> <td>up to \$499,999</td> <td>2.20%</td> </tr> <tr> <td>next \$500,000</td> <td>1.70%</td> </tr> <tr> <td>above \$999,999</td> <td>1.20%</td> </tr> </tbody> </table> <p>For investment company clients, the Registrant will charge the fees described in the applicable advisory or sub-advisory agreement to the extent consistent with applicable laws and rules and the offering documents of the investment company client. Generally, for investment company clients, the Registrant charges 0.40% to 1.00% of assets under management, subject to increase or decrease depending on several factors, including the nature and size of the particular investment company. For investment company clients, the investment company's custodian shall remit fees after receipt of relevant information from the investment company's administrator.</p> <p>As further discussed in response to Item 10 (below), Registrant generally imposes a minimum portfolio value for its investment management services. Registrant, in its sole discretion, may waive its stated account minimum, negotiate or charge a lesser management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, pro bono activities, etc.).</p> <p>As further discussed in response to Item 12B (below), Registrant shall generally recommend that clients utilize the brokerage and clearing services of Pershing, LLC through Pershing Advisor Solutions ("<i>Pershing</i>") or Charles Schwab &amp; Co., Inc. ("<i>Schwab</i>") for investment management accounts. Prior to engaging Registrant to provide investment advisory services, the client will be required to enter into one or more written agreements with the Registrant setting forth the terms and conditions under which the Registrant shall render its services (collectively the "<i>Agreement</i>"), and a separate agreement for brokerage and clearing services with <i>Pershing</i>, or <i>Schwab</i> directly with the applicable mutual fund or insurance companies, any other broker-dealer recommended by the Registrant, and/or the broker-dealer directed by the client (collectively referred to as "<i>Broker-Dealer</i>").</p> <p>For non-investment company clients, the Registrant generally will use its standard <i>Agreement</i> unless terms and conditions of a particular engagement require use of a non-standard client agreement. For investment company clients, the Registrant will utilize the advisory or sub-advisory agreement delivered by the investment company, subject to relevant revisions.</p> <p>Registrant's <i>Agreement</i> and/or the separate agreement with <i>Broker-Dealer</i>, may authorize <i>Broker-Dealer</i> to debit the client's account for the amount of the Registrant's fee and to directly remit that management fee to the Registrant in accordance with required SEC procedures as follows: (1) the Registrant shall send to the</p>		<u>PORTFOLIO VALUE</u>	<u>ANNUAL FEE</u>	up to \$499,999	2.20%	next \$500,000	1.70%	above \$999,999	1.20%
<u>PORTFOLIO VALUE</u>	<u>ANNUAL FEE</u>									
up to \$499,999	2.20%									
next \$500,000	1.70%									
above \$999,999	1.20%									

client and *Broker-Dealer* at the same time a fee statement (“Fee Statement”) showing the amount of the management fee for the period, and, additionally, shall include in the client’s Fee Statement the specific manner in which the management fee was calculated and the value of the client’s assets on which the fee was based, and (2) *Broker-Dealer* shall send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to the Registrant.

Currently, Registrant intends to primarily allocate its client’s investment management assets, on a discretionary basis, among mutual funds and exchange-traded funds in accordance with the client’s investment objectives.

For investment company clients, the Registrant will observe the investment parameters described in the investment company’s offering documents as well as those required by the Investment Company Act of 1940 and the rules promulgated thereunder in addition to any applicable provisions of the Internal Revenue Code.

As discussed above, unless the client directs otherwise, Registrant shall generally recommend that *Pershing* or *Schwab* serve as the broker-dealer for client assets. Clients may incur certain charges imposed by third parties such as custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, which shall be disclosed in the fund’s prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, short-term redemption fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to the Registrant’s fee.

The Registrant generally manages client portfolios by allocating portfolio assets among various mutual funds, ETF’s and/or subaccounts (as applicable) on a discretionary basis using one or more of its proprietary investment strategies (“collectively referred to as *investment strategy*”). In so doing, the Registrant shall buy, sell, exchange and/or transfer shares of mutual funds, ETF’s and/or subaccounts (as applicable) based upon the *investment strategy*.

The Registrant’s management using the *investment strategy* has been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940, as amended. Rule 3a-4 provides similarly-managed accounts, such as the *investment strategy*, with a safe harbor from the definition of an investment company. In accordance with Rule 3a-4, the following features have been specifically included in the Registrant’s management using the *investment strategy*:

1. **Initial Interview** – an initial interview is conducted with each client to determine the client’s financial circumstances, goals, acceptable levels of risk, any reasonable restrictions on the management of their account, and other relevant circumstances;
2. **Individual Treatment** – the client’s account is managed on the basis of the client’s financial circumstances and investment objectives;
3. **Consultation** – an advisory affiliate of the Registrant knowledgeable about the client’s account shall be reasonably available to consult with the client relative to the status and management of their account;
4. **Notice of Transactions** – the client shall receive notice of all transactions in their account as if they had maintained a similar account outside of the *investment strategy*;
5. **Quarterly Statement** – the client shall be provided with a quarterly statement containing a description of all activity in the their account;
6. **Ability to Impose Restrictions** – the client shall have the ability to impose reasonable restrictions on the management of their account, including the ability to instruct the Registrant not to purchase certain securities or types of securities;
7. **No Pooling** – the client’s beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the client’s account;
8. **Separate Account** – a separate account is maintained for the client with the custodian; and
9. **Ownership** - each client retains indicia of ownership of the account (e.g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

In addition to the foregoing, clients may, in writing, place reasonable limitations upon the Registrant’s discretionary authority. The *investment strategy* may involve an above-average portfolio turnover that

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

	<p>could negatively impact upon the net after-tax gain experienced by an individual client. Securities in the <i>investment strategy</i> are usually exchanged and/or transferred without regard to a client's individual tax ramifications. Certain investment opportunities that become available to the Registrant's clients may be limited. For example, various mutual funds or insurance companies may limit the ability of the Registrant to buy, sell, exchange or transfer securities consistent with its <i>investment strategy</i>. As further discussed in response to Item 12B (below), in order to meet its fiduciary duties to all of its clients, the Registrant will endeavor to allocate investment opportunities among its clients on a fair and equitable basis. Participation in the Registrant's <i>investment strategy</i> carries additional risk to clients in that a mutual fund or insurance company may unilaterally restrict and/or prohibit the Registrant's trading activities thus prohibiting it from managing the assets consistent with the <i>investment strategy</i>.</p>
	<p>To the extent that a client authorizes the use of margin, and margin is thereafter employed by the Registrant in the management of the client's investment portfolio, the market value of the client's account and corresponding fee payable by the client to the Registrant will be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential conflict of interest whereby the client's decision to employ margin shall correspondingly increase the management fee payable to the Registrant. Accordingly, the decision as to whether to employ margin is left totally to the discretion of the client.</p> <p>Registrant also may render discretionary and/or non-discretionary investment management services to clients relative to: (1) variable life/annuity products that they may own, and/or (2) their individual employer-sponsored retirement plans. In so doing, Registrant either directs or recommends the allocation of client assets among the various mutual funds, ETF's and/or sub-accounts that comprise the variable life/annuity product or the retirement plan. The client assets shall be maintained at either the specific insurance company that issued the variable life/annuity product which is owned by the client, or at the custodian designated by the sponsor of the client's retirement plan.</p> <p>The client may make additions to and withdrawals from the account at any time, subject to Registrant's right to terminate an account that falls below its minimum portfolio size (as discussed in response to Item 10). If assets are deposited into an account after the inception of a quarter the fee payable with respect to such assets will be prorated based on the number of days remaining in the quarter. Clients may withdraw account assets on notice to the Registrant, subject to the usual and customary securities settlement procedures. For partial withdrawals within a billing period, Registrant shall credit its unearned fee towards the next quarter's fee. However, Registrant designs its portfolios as long-term investments and asset withdrawals may impair the achievement of a client's investment objectives. Notwithstanding the foregoing, no fee adjustments will be made for any additions or withdrawals, unless such adjustment would be greater than \$75. Additions may be in cash or securities, provided that Registrant reserves the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. Transferred securities shall be liquidated without regard to any transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.</p> <p>While the Registrant typically requires that its fees be directly debited from client accounts, A client may elect to pay Registrant directly rather than have the fee deducted from the assets of the account(s) being managed. In such instances, Registrant mails to the client a bill for the management fee containing a statement that the fee will be paid by way of an ACH to clients bank account, which client has authorized during the contracting process, unless Registrant receives a check from Client within 21 days from the date of the bill.</p>
	<p>For the initial quarter of investment management services, the first quarter's fees shall be calculated on a <i>pro-rata</i> basis. The <i>Agreement</i> between the Registrant and the client will continue in effect until terminated by either party pursuant to the terms of the <i>Agreement</i>. Registrant's annual fee shall be prorated through the date of termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner.</p> <p>Registrant's clients are advised to promptly notify the Registrant if there are ever any changes in their financial situation or investment objectives, or if they wish to impose any reasonable restrictions upon Registrant's management services.</p> <p>In addition to the core business operations described above, the Registrant provides the following specific services:</p> <p><u>Ludeman Capital Management, Inc.</u></p> <p>Pursuant to a SubAdvisory Agreement by Registrant with Ludeman Capital Management, Inc. ("Ludeman"), Registrant provides fixed income investment advisory services on an individual account level</p>

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

for clients of Ludeman. These accounts are held in custody at; and all trades ordered by Registrant placed through Trust Company of America. All such trades are made by Registrant on a fully discretionary basis.

Registrant receives as a fee for the management of these accounts 75 bps on an annual basis, paid quarterly in arrears for the previous quarter, calculated on an average daily balance for that quarter. Ludeman calculates and deducts the fee from the client account and remits that fee to Registrant.

Registered Investment Advisor Services, Inc. (Nationwide):

Pursuant to a Service Agreement by Registrant with Registered Investment Advisor Services, Inc. ("RIA Services"), a Nationwide Financial Services Inc. subsidiary ("Nationwide"), Registrant provides investment supervisory services to participants of 401-k and 403-b Plans in which Nationwide is the Third Party Administrator ("TPA") and provider of investment products. These accounts are held in custody at; and all trades ordered by Registrant placed through Nationwide. All such trades are made by Registrant on a fully discretionary basis.

Registrant receives as a fee for the management of these accounts an amount not exceeding 60 bps on an annual basis, paid quarterly in arrears for the previous quarter, calculated on an average daily balance for that quarter. RIA Services calculates and deducts the fee from the client account and remits that fee to Registrant. Certain Client accounts opened prior to 2009 have fees ranging to 90bps. Pursuant to the Client Agreement, Registrant also collects the fee charged for RIA Services and for Nationwide as the TPA and remits those amounts to RIA Services once received.

Benefit Solutions Corporation:

Benefit Solutions Corporation ("BSC") is a third party administrator and record-keeper of qualified retirement plans. Registrant is one, among several, investment advisers available through the BSC platform from which plan sponsors can elect to make Registrants investment management and core fund selection available to the Plan participants. Participant accounts are held in custody at MG Trust Company, LLC; and all trades ordered by Registrant are executed through Matrix Settlement and Clearance Services, LLC. All such trades are made by Registrant on a fully discretionary basis.

Registrant receives as a fee for providing these services an annual amount up to 175 bps dependent on the level of services desired by the Plan sponsor, payable monthly, in arrears. BSC calculates the fees and remits to Registrant.

Registrant receives as a fee for the management of these accounts an amount not exceeding 60 bps on an annual basis, paid quarterly in arrears for the previous quarter, calculated on an average daily balance for that quarter. RIA Services calculates and deducts the fee from the client account and remits that fee to Registrant. Certain Client accounts opened prior to 2009 have fees ranging to 95bps. Pursuant to the Client Agreement, Registrant also collects the fee charged for RIA Services and for Nationwide as the TPA and remits those amounts to RIA Services once received.

Variable Insurance Products:

Registrant provides discretionary investment management services to the owners of variable annuities and variable life insurance products issued by many different insurance carriers and all registered with the SEC as securities products. Clients will execute a contract with Registrant to manage the allocation of the cash value among the inventory of insurance separate accounts available for that particular variable insurance product. The Client accounts are held in custody at a qualified custodian chosen by the issuing insurance company and named in the prospectus for that product. Each individual insurance carrier may require a Client to execute additional forms to allow Registrant to provide investment management. Trades are ordered by Registrant through a process defined by each individual insurance carrier. In some instances, the issuer of the insurance contract has imposed limitations on the frequency of transactions in certain insurance separate accounts. Registrant tracks those restrictions and adjusts its allocation accordingly.

Registrant receives as a fee for providing these services an annual amount up to 220 bps, paid quarterly, in advance, calculated based on the account value at the end of the previous quarter. The custodian of the account deducts the applicable fee and remits the fee to Registrant. This fee will appear on the quarterly statement of the insurer to the Client as a fee deduction or distribution.

Neither the Registrant nor the client may assign the *Agreement* without the consent of the other party. Transactions that do not result in a change of actual control or management of the Registrant shall not be considered an assignment.

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	<p>A copy of Registrant’s privacy policy notice and a written disclosure statement that meets the requirements of Rule 204-3 of the Adviser’s Act of 1940, as amended, shall be provided to each client prior to or contemporaneously with the execution of the <i>Agreement</i>. Any client who has not received a copy of Registrant’s written disclosure statement at least forty-eight (48) hours prior to executing the <i>Agreement</i> shall have five (5) business days subsequent to executing the agreement to terminate the Registrant’s services without penalty.</p> <p>The Registrant may vote proxies on behalf of its clients. When the Registrant accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully described in the Registrant’s Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in the Registrant’s Proxy Voting Policies and Procedures, as they may be amended from time-to-time. At any time, clients may contact the Registrant to request information about how Registrant voted proxies for that client’s securities or to get a copy of the Registrant’s Proxy Voting Policies and Procedures. A brief summary of the Registrant’s Proxy Voting Policies and Procedures is as follows:</p> <ul style="list-style-type: none"> <li>• The Registrant has formed a Proxy Voting Committee that will be responsible for monitoring corporate actions, making voting decisions in the best interest of clients, and ensuring that proxies are submitted in a timely manner.</li> <li>• The Proxy Voting Committee will generally vote proxies according to the Registrant’s then current Proxy Voting Guidelines. The Proxy Voting Guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including: composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.</li> <li>• Although the Proxy Voting Guidelines are to be followed as a general policy, certain issues will be considered on a case-by-case basis based on the relevant facts and circumstances. Since corporate governance issues are diverse and continually evolving, the Registrant shall devote an appropriate amount of time and resources to monitor these changes.</li> </ul> <p>In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that the Registrant maintains with persons having an interest in the outcome of certain votes, the Registrant will take appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict.</p>
3L	Registrant may also provide advice about any type of investment held in a client’s portfolio at the beginning of the advisory relationship.
5	All individuals that render investment advisory services on behalf of the Registrant must have earned a college degree and/or have substantive investment-related experience. In addition, all such individuals shall have attained all required investment-related licenses and/or designations.
6	<p><b>JOHN “SEAN” JOSEPH HANLON, IV</b>  Born 1958  <i>Post-Secondary Education:</i>  Stevens Institute of Technology – 1980, BS, Mechanical Engineering  <i>Recent Business Background:</i>  Hanlon Investment Management, Inc., Chairman, CEO and Chief Investment Officer, 03/2000 – Present  Purshe Kaplan Sterling Investments, Inc., Registered Representative, 05/2003 – Present  Sentra Securities Corp., Registered Representative, 08/1994 – 05/2003</p> <p><b>DONALD WILLIAMS, II</b>  Born 1977  <i>Post-Secondary Education:</i>  Rutgers University – 2000, BA, Economics  <i>Recent Business Background:</i>  Hanlon Investment Management, Inc., Trading Manager, 02/2004 – Present  Montauk Financial Group, Project Manager/Senior Business Analyst, 08/2000 – 05/2003</p> <p><b>JEFFREY M. VOGL</b>  Born 1969  <i>Post-Secondary Education:</i></p>

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	<p>Trenton State College – 1993, BS, Computer Science</p> <p><i>Recent Business Background:</i>  Hanlon Investment Management, Inc., Research/Portfolio Manager, 05/2005 – Present  Allus, Inc., Vice President, 04/1999 – 05/2005</p> <p><b>THOMAS J. ERICSON</b>  Born 1949</p> <p><i>Post-Secondary Education:</i>  Mercyhurst College - 1977 BA, Accounting  Pennsylvania State University Dickinson School of Law - JD</p> <p><i>Recent Business Background:</i>  Hanlon Investment Management, Inc., Chief Compliance Officer and General Counsel, 02/2010 to present  Securities America, Inc., Deputy Director of Supervision, 04/2007 to 03/2009  Aris Corporation of America/PFG, Chief Compliance Officer and General Counsel, 04/1996 to 03/2005</p> <p><b>GREGORY J. YOUNG</b>  Born 1971</p> <p><i>Post-Secondary Education</i>  Bucknell University - 1994 BS, Business Administration  Rutgers University - 2003</p> <p><i>Recent Business Background</i>  Hanlon Investment Management, Inc., Director of Research, 02/2010 to Present  Ashbridge Investment Management, LLC, Managing Director, Director of Research</p> <p><b>DIERDRE DOWNHAM</b>  Born 1955</p> <p><i>Post-Secondary Education:</i>  Florida Atlantic University - 1977 BA, Marketing</p> <p><i>Recent Business Background:</i>  Hanlon Investment Management, Inc., CCO, 12/2002 to 8/2009; Chief Administrative Officer 8/2009 to present.</p>
7B, 9B and 13A	<p>Several employees, including control persons of Registrant are registered representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS") a registered broker-dealer and member of FINRA. In the event that a client should desire to purchase a securities product not to be held in any account managed by Registrant they could do so through those registered representatives through PKS. For any commission paid by the client or dealer concession paid by the product sponsor, PKS can pay a portion of that to those registered representatives that are also employees of Registrant. A conflict of interest may exist to the extent that Registrant has recommended the purchase of certain securities or asset classes and the client has elected to make the purchase through one of the aforementioned registered representatives rather than in an account managed by Registrant.</p> <p>For accounts covered by ERISA (and such others that the Registrant, in its sole discretion deems appropriate), the Registrant may modify the foregoing commission arrangement to allow for its investment advisory services to be rendered on a fee-offset basis. In this scenario, the Registrant may offset its fees by an amount equal to the aggregate commissions and 12b-1 fees earned by the Registrant's Advisory Affiliates in their individual capacities as registered representatives of PKS.</p>
9E	<p>The Registrant does not buy nor sell for itself securities that it also recommends to clients. However, persons associated with the Registrant ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with the Registrant's policies and procedures.</p> <p>The Registrant has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("Code of Ethics"). In accordance with Section 204A of the Advisers Act, its Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by the Registrant or any of its associated persons. The Code of Ethics also requires that certain of the Registrant's personnel (called "Access Persons") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings. Clients may contact the Registrant to request a copy of its Code of Ethics.</p>

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	<p>Unless specifically permitted in the Registrant's Code of Ethics, none of the Registrant's Access Persons may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of the Registrant's clients.</p> <p>When the Registrant is purchasing or considering for purchase any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when the Registrant is selling or considering the sale of any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.</p>
10	<p>As further discussed in response to Item 1D (above), Registrant provides investment supervisory services. As a condition for starting and maintaining a relationship, Registrant, except with respect participant accounts in 401-k and 403-b Plans in which Registrant has been hired by the Plan sponsor to serve as the investment adviser, more fully described in response to 1D, above, shall generally impose a minimum portfolio size of \$75,000. Registrant, in its sole discretion, may accept clients with smaller portfolios based upon certain criteria including anticipated future earning capacity, anticipated future additional assets, account composition, related accounts, and pre-existing clients. Registrant shall only accept clients with less than the minimum portfolio size if, in the sole opinion of the Registrant, the smaller portfolio size will not cause a substantial increase of investment risk beyond the client's identified risk tolerance. Registrant may aggregate the portfolios of family members to meet the minimum portfolio size.</p>
11A	<p>For those clients to whom Registrant provides investment supervisory services, the Registrant monitors those portfolios as part of an ongoing process while regular account reviews are conducted periodically by the Chief Investment Officer or qualified staff members. The frequency of the reviews are determined based on the Client's investment objectives, and the performance of the investments in the Client's account. More frequent reviews may be triggered by a change in the investment objectives of the Client such as tax considerations, large deposits or withdrawals or the opinion of Registrant that a tactical reallocation of accounts is appropriate.</p>
11B	<p>Unless otherwise agreed upon, each Client receives from the Custodian of each account transaction confirmations and regular account statements at least quarterly that details the holdings and transactions in their account. Clients also receive a quarterly supplemental report from registrant which provides beginning and ending account values and the performance of the individual account.</p>
12A, 12B and 13A	<p>Please see the previous responses set forth on this Schedule F to Item 1D.</p> <p>Except as provided for in any applicable wrap fee program, the brokerage commissions and/or transaction fees charged by <i>Pershing</i>, <i>Schwab</i> or any other designated broker-dealer are exclusive of and in addition to Registrant's fee.</p> <p>Factors, which the Registrant considers in recommending <i>Pershing</i>, <i>Schwab</i>, or any other broker-dealer, to clients, include their respective financial strength, reputation, execution, pricing, research, and service. Use of <i>Pershing</i> and <i>Schwab</i> enable Registrant to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by <i>Pershing</i> and <i>Schwab</i> may be higher or lower than those charged by other broker-dealers.</p> <p>The commissions paid by Registrant's clients shall comply with the Registrant's duty to obtain "best execution." However, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Registrant determines, in good faith, that the commission 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 a broker-dealer's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while the Registrant will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.</p> <p>If the client requests the Registrant to arrange for the execution of securities brokerage transactions for the client's account, Registrant shall direct such transactions through broker-dealers that Registrant reasonably believes will provide best execution. Registrant shall periodically and systematically review its policies and</p>

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procedures regarding recommending broker-dealers to its client in light of its duty to obtain best execution.

The client may direct Registrant in writing to use a particular broker-dealer to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to “batch” client transactions for execution through other broker-dealers with orders for other accounts managed by Registrant (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

Transactions for each client generally will be effected independently, unless Registrant decides to purchase or sell the same securities for several clients at approximately the same time. Registrant may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among Registrant’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 generally be averaged as to price and allocated among Registrant’s clients pro rata to the purchase and sale orders placed for each client on any given day.

To the extent that the Registrant determines to aggregate client orders for the purchase or sale of securities, including securities in which Registrant’s Associated Person(s) may invest, the Registrant shall generally do so in accordance with applicable rules promulgated under the Investment Advisers Act of 1940 and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. The Registrant shall not receive any additional compensation or remuneration as a result of the aggregation. In the event that Registrant determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, Registrant may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist the Registrant in its investment decision-making process. Such research generally will be used to service all of Registrant’s clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client’s portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest.

Although not a material consideration when determining whether to recommend that a client utilize the services of *Pershing* or *Schwab*, Registrant may receive from *Pershing* and *Schwab*, without cost, computer software and related systems support, which allows Registrant to better monitor client accounts maintained at *Pershing* and *Schwab*. Registrant may receive the software and related support without cost because Registrant renders investment management services to clients that, in the aggregate, maintain a certain level of assets at *Pershing* or *Schwab*.

Specifically, Registrant may receive the following benefits from *Pershing* through its Investment Manager Services: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Investment Manager Services participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

Additionally, the Registrant may receive the following benefits from *Schwab* through its Schwab Institutional division: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services the Schwab Institutional participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client

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	accounts; and access to an electronic communication network for client order entry and account information
13B	If a client is introduced to the Registrant by either an unaffiliated or an affiliated solicitor, Registrant may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, as amended, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from the Registrant's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to the Registrant by an unaffiliated solicitor, the solicitor shall provide the client with a copy of the Registrant's written disclosure statement which meets the requirements of Rule 204-3 of the Adviser's Act and a copy of the disclosure statement between the Registrant and the solicitor containing the terms and conditions of the solicitation arrangement, including compensation. Any affiliated solicitor of the Registrant shall disclose the nature of his/her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the Registrant's written disclosure statement at the time of the solicitation.

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