

**Item 1 – Cover Page**

**Wilson, Kemp & Associates, Inc.**

**255 E. Brown Street, Suite 200**

**Birmingham, MI 48382**

**248-594-4100**

**March 31, 2011**

Form ADV, Part 2; our “Disclosure Brochure” or “Brochure” as required by the Investment Advisers Act of 1940 is a very important document between Clients (you, your) and Wilson, Kemp, & Associates, Inc.” (us, we, our). This Brochure provides information about our qualifications and business practices.

*This brochure provides information about the qualifications and business practices of Wilson, Kemp & Associates, Inc. If you have any questions about the contents of this brochure, please contact us at 248-594-4100 and / or Email us at Compliance@comerica.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any State Securities Authority.*

*Additional information about Wilson, Kemp & Associates, Inc. also is available at the SEC’s website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (click on the link, select “investment adviser firm” and type in our firm name). Results will provide you both Part 1 and 2 of our Form ADV.*

We are a registered investment adviser with the Securities and Exchange Commission. Our registration as an Investment Adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, is information you use to evaluate us (and other advisers) which are factors in your decision to hire us or to continue to maintain a mutually beneficial relationship.

## Item 2 – Material Changes

1. Initial Filing on March 31, 2011:
  - a. This is our “initial” filing of what we regard as “The New Part 2” of our Form ADV. As a result, this Document, dated March 31, 2011, is brand new. This document was developed in response to new requirements adopted and imposed by the Securities and Exchange Commission (SEC) under the Investment Advisers Act of 1940 (IA Act). As a result, this Disclosure Brochure” is substantially different from previous versions and includes disclosures not specifically required by the Old Part II.
  - b. As a result, this “Brochure” should be considered “materially new” although you will recognize most of the disclosures as similar or identical to what you have read in the past. New Disclosures in this document include those items previously not requested, including:
    - i. Item #4 – Advisory Business
    - ii. Item #8 – Methods of Analysis, Investment Strategies, and Risk of Loss and
    - iii. The elimination of Part II, Pages 1-6 (or the old check the box pages).
2. In future filings, this section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).
3. We may, at any time, update this Brochure and either send you a copy or offer to send you a copy (either by electronic means (email) or in hard copy form).
4. If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our Chief Compliance Officer, Lisa A. Walker at 248-594-5203 or [LAWalker@comerica.com](mailto:LAWalker@comerica.com).

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## **Item 4 – Advisory Business**

### **Description of Advisory Services:**

Wilson, Kemp & Associates, Inc. (“Wilson Kemp”) is an investment advisory firm that furnishes investment advisory services to clients. Such services are provided on a discretionary basis, although Wilson Kemp may manage assets on a nondiscretionary basis in certain circumstances. Wilson Kemp provides these services to high net worth individuals, corporations, municipalities, and charitable organizations. Wilson Kemp also serves as sub-adviser to bank common trust funds.

Wilson Kemp tailors its investment advice to suit the individual needs of its clients by considering their individual situations. Also, the client can specify restrictions or guidelines for the investment discretion exercised by Wilson Kemp.

### **History**

Wilson Kemp was founded in 1968 by Thomas Wilson and Robert Kemp. The firm was purchased by Manufactures National Bank of Detroit in 1988 and became an affiliate of Comerica Bank following their merger with Manufacturers in 1992.

### **Organizational Structure**

Wilson Kemp reports into the Wealth and Institutional Management (WIM) business unit of Comerica Bank. WIM is headed up by Curt Farmer, Executive Vice President, and is located in Dallas, Texas. The three investment groups at Comerica, Wilson Kemp, World Asset Management, and Comerica Asset Management are structured under one umbrella which is called Comerica Asset Management Group. Comerica Asset Management Group is headed up by David Skolnik as President. Headquarters for the asset management group is Birmingham, MI. Wilson Kemp and Comerica Asset Management are the active investment arms and World Asset Management is the passive investment arm.

Mark E. Van Faussien is the Wilson Kemp’s Chief Investment Officer. Donald A. Lindow and William C. Gough are Portfolio Managers.

### **Assets Under Management**

As of December 31, 2010, Wilson Kemp manages on behalf of clients discretionary assets under management of \$1,476,183,909 and non-discretionary assets under management of \$0.

## Item 5 – Fees and Compensation

The fee schedule for Wilson, Kemp & Associates, Inc. is as shown below:

Assets	Annual Fee
On initial \$500,000	1.1%
On portion from \$500,000 to \$1,000,000	0.9%
On portion from \$1,000,000 to \$5,000,000	0.8%
On portion from \$5,000,000 to \$10,000,000	0.5%
On portion above \$10,000,000	0.3%
Minimum annual fee \$5,500	

In any portfolio situation with specific orientation to income and need for less than continuous monitoring, fee may be charged at an annual rate from 0.5% to 0.7%

In any case of public employee retirement systems, the annual fee may be negotiated.

From time to time, a fee arrangement may be charged on an hourly basis or fixed fee amount where the circumstances do not require investment supervisory services or the client engagement is more clerical in nature.

### **Fee Payment Options :**

The above fees will be based on the market value of the monies under management as of the billing date. Fees will be billed semi-annually in arrears unless otherwise agreed. Upon five days written notice, clients may terminate their investment supervisory arrangement with Wilson, Kemp & Associates, Inc. Wilson, Kemp & Associates, Inc. will refund the unused portion of any fees that are paid in advance. Wilson Kemp does not deduct any fees for its services directly from the client's account.

### **Additional Fees and Expenses:**

Advisory fees payable to us do not include all the fees you will pay when we purchase or sell securities for your Account(s). The following list of fees or expenses are what you pay directly to third parties, whether a security is being purchased, sold or held in your Account(s) under our management:

- Fees charged are by the broker dealer / custodian.

We do not receive, directly or indirectly, any of these fees charged to you. They are paid to your broker, custodian or the mutual fund or other investment you hold. The fees include:

- Brokerage commissions;
- Transaction fees;

- Exchange fees;
- SEC fees;
- Advisory fees and administrative fees charged by Mutual Funds (MF), Exchange Traded Funds (ETFs)
- Advisory fees charged by sub-advisers (if any are used for your account);
- Custodial Fees;
- Deferred sales charges (on MF or annuities);
- Odd-Lot differentials;
- Deferred sales charges (charged by MFs);
- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Commissions or mark-ups / mark-downs on security transactions ;
- Among others that may be incurred.

For a discussion of Wilson Kemp’s practices regarding broker selection, see Item 12 – Brokerage Practice.

In addition, we do not have or employ any “Employee” at all that receives (directly or indirectly) any compensation from the sale of securities or investments that are purchased or sold for your account or to which we provide consulting expertise / services. As a result, we are a “fee only” investment adviser. We do not have any potential conflicts of interest present that relate to any additional (and un-disclosed) compensation from you or your assets that we manage.

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

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance based fees). Our advisory fee compensation is charged only as disclosed above (Item 3).

### **Item 7 – Types of Clients**

We provide our services to a number of different types of Clients including:

- Individuals, including high net worth individuals
- Trusts, estates and charitable organizations
- Pension and profit sharing plans
- Corporations or other business entities
- Taft-Hartley plans, governmental plans, municipalities

- Not for profit entities
- Bank common trust funds

Wilson Kemp does not have any specific requirement for the types of account it will accept, such as minimum account size, but it does have a minimum annual fee of \$5,500.

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

### **Analysis:**

**Equity Portfolio Management** - Our primary method of analysis is fundamental research. We use proprietary databases, external research reports, general media reports, company reports/filings, and all other reliable sources of information to analyze a company and its prospects. Businesses are also evaluated in comparison to other businesses in their industry as well as against their own historical record for relative attractiveness. Additionally, we may employ technical analysis in evaluating the relative attractiveness of a security. Our investment time horizon is long (five to ten years) and, as a consequence, portfolio turnover is low.

**Fixed Income Management** – Our primary method of analysis for fixed income is also fundamentally based. We rely on external rating services, such as Standard & Poor’s and Moody’s, to provide credit ratings on securities evaluated for purchase. The focus is on investment grade securities and an intermediate range of maturities (one to ten years). We do internal evaluation, using fundamental databases, of a company’s levels of debt, general capital structure, interest coverage, and other relevant factors.

**Client-driven Factors** – In the management of a client’s assets, we may consider the many factors related to the client’s individual circumstances. These factors may include, but not be limited to; 1) non portfolio driven income, 2) level of income required from investments, 3) tax issues including capitals gains, loss carry forwards, income tax at federal and state level, and estate tax considerations. Moreover, we may consider the industry in which the client is employed, other investments outside the firm’s supervision, other business interests, and other sources of income.

**Risk of Loss** – There is a substantial risk of loss in all securities in which the Wilson Kemp may invest a client’s funds. Our analytical efforts are directed toward mitigating such losses; however, there is no guarantee or representation that this will be achieved.

### **Investment Strategies:**

**Equity (common stock) Management** –Wilson Kemp employs processes to identify attractively valued companies within a broad equity universe such as the Standard & Poor’s 500 Index or the Russell 1000 Index. We construct portfolios that are diversified over sectors and industries, but may intentionally overweight or underweight sectors based on relative values. From time to time, we may recommend option strategies, such as covered call writing, in client portfolios. Additionally, the holding period is generally greater than a year; however, there are circumstances where a security may be bought and sold within a year. Lastly, Wilson Kemp does not recommend that clients purchase securities on margin. Investing in common stocks present the potential of significant risk of loss and volatility.

**Fixed Income (bond) Management** – Wilson Kemp manages fixed income portfolios of corporate, agency, sovereign, municipal and U.S. Treasury securities. We construct portfolios that are diversified over sectors and industries, but may intentionally overweight or underweight various sectors based on relative values between and among sectors. Wilson Kemp endeavors to manage a portfolio’s bond maturities over a period of time sometimes referred to as a “laddered portfolio”. We focus on intermediate term bonds (one to ten years in maturity). We purchases callable securities which means the security can be redeemed prior to its maturity date, however, we analyze the security on its relative value to both the call and maturity dates. Investing in fixed income securities presents the potential of significant risk of loss and volatility.

**Wilson Kemp Large Cap Value Strategy** – Wilson Kemp employs a process designed to identify attractively valued companies within the Russell Top 200 Value Universe. We screen the benchmark based on value and fundamental measures including price to earnings, price to cash flow, and earnings strength. An analysis of recent performance is done to identify those stocks that may be temporarily exhibiting oversold or overbought characteristics. Wilson Kemp ranks the companies in the benchmark based on this process and may apply additional analysis to those that appear favorably based on our screening. This additional analysis includes an assessment of the company's business model, place in their sector and industry, and a review of financial statements and company guidance. Wilson Kemp also performs discounted cash flow and dividend valuation, an analysis of current, historic, and peer price to book, cash flow, and sales metrics, and a review of measures including return on invested capital, return on equity, and weighted average cost of capital. Based on this process, we will select attractive companies while maintaining exposure to all economic sectors within a certain percentage of benchmark sector weights. We will look to sell a holding when it no longer appears favorable based on the process detailed above, or if another company that merits inclusion in the portfolio displaces it. Investing in common stocks present the potential of significant risk of loss and volatility.



**Risk of Loss:**

All investments in securities include a risk of loss of your principal (invested amount) and any profits that have not been realized (the securities were not sold to “lock in” the profit). As you know, stock markets, bond markets fluctuate substantially over time. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. We will do our very best in the management of your assets; however, we cannot guarantee any level of performance or that you will not experience a loss of your account assets.

**Item 9 – Disciplinary Information**

We do not have any legal, financial or other “disciplinary” item to report to you. We are obligated to disclose any disciplinary event that would be material to you when evaluating us to initiate a Client / Adviser relationship, or to continue a Client /Adviser relationship with us.

This statement applies to our Firm, and every employee.

**Item 10 – Other Financial Industry Activities and Affiliations**

Comerica, Incorporated, a bank holding company, acquired Manufacturers National Corporation, of which Wilson, Kemp & Associates, Inc. was a wholly owned subsidiary, on June 18, 1992.

Wilson, Kemp & Associates, Inc. (“Wilson Kemp”) is a non-bank affiliate of Comerica Bank (“Comerica”) and a part of Comerica’s Wealth and Institutional Management Division. Comerica’s Wealth & Institutional Management team consists of certain divisions of Comerica Bank, a member of FDIC, and Comerica affiliates Wilson Kemp & Associates Inc., World Asset Management, Inc., Comerica insurance Services, and Comerica Securities. Wilson Kemp is an affiliate, through common control and ownership, with World Asset Management, Inc. and Comerica Securities, Inc. who are also investment advisers registered with the SEC. Wilson Kemp manages common trust funds for Comerica Bank but does not engage in any arrangements with other related persons that are material to its advisory business.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **Code of Ethics:**

Wilson, Kemp & Associates, Inc. has adopted a Code of Ethics that governs all “access persons”. An “access person” is defined as any employee who has access to nonpublic information regarding any clients’ purchase or sale of securities, has nonpublic information regarding the portfolio holdings of any reportable fund, or who is involved in making securities recommendations to clients, or who has access to such recommendations that are nonpublic. All directors, officers and partners of Wilson Kemp are considered access persons. The Code of Ethics is based upon the principle that the officers and employees have a fiduciary duty to place the interest of clients ahead of their own. Wilson Kemp’s Code of Ethics is designed to comply with Rule 204A-1 of the Investment Advisers Act of 1940. A copy of the Wilson Kemp Code of Ethics can be obtained by sending a written request to Wilson, Kemp & Associates, Inc., 255 E. Brown Street, Suite 200, Birmingham, MI 48009 ATTN: Chief Compliance Officer.

The Code of Ethics (or Code) establishes rules of conduct for employees of Wilson Kemp. The Code is designed to govern personal securities activities of employees, prevent employees from engaging in fraud, and require each firm use reasonable diligence and institute procedures reasonably necessary to prevent violations of the Code. Our Code is comprehensive, is distributed to each employee at the time of hire, and annually thereafter (if there are changes). We also supplement the Code with annual training and on-going monitoring of employee activity.

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

Wilson Kemp does not expect to purchase or sell securities for its own account or otherwise expect to participate or have an interest in client transactions. From time to time, however, related persons of Wilson Kemp who are officers, directors, and/or employees may purchase or sell securities for their own accounts or otherwise participate or have an interest in client transactions. When transactions occur coincidentally with those of clients, the firm’s policy is to allocate the highest costs or lowest proceeds to the related person if the trading volume in a security is less than 100,000 shares or Wilson Kemp’s trading volume exceeds twenty-five percent of that day’s trading volume. In circumstances where these two factors do not exist, no special allocation occurs. In no case does the firm allow a principal or employee to benefit from prior or subsequent trading in size by the firm on behalf of clients.

From time to time, other related persons of Wilson Kemp which are banking subsidiaries of Comerica Incorporated may purchase or sell debt securities for their own accounts which Wilson Kemp may recommend to its clients. However, Wilson Kemp and such related persons have established internal policies and procedures designed to create a so-called “Chinese Wall”, such that individuals making trading decisions for such related persons and individuals determining investment recommendations and/or exercising investment discretion with respect to Wilson Kemp’s client accounts may not pool or share information concerning their respective decisions.

Wilson Kemp occasionally will invest client accounts in the capital stock of Comerica Inc. or other investment products of Comerica Bank such as CD’s. In each instance, the client is informed in advance of this transaction and the potential conflict of interest.

In addition, from time to time, other related persons of Wilson Kemp which engage in securities related businesses and their officers and employees may participate or have interest in client transactions of a nature described above. These related persons are:

- (a) Comerica Securities, Inc. (CSI) which is a broker dealer (Firm CRD No. 17079). CSI’s principal business address is 201 W. Fort Street, 3<sup>rd</sup> Floor, Detroit, Michigan 48226
- (b) World Asset Management, Inc. (World) which is an investment adviser (SEC File No. 801-67327). World’s principal business address is 255 E. Brown Street, Suite 200, Birmingham, Michigan 48009

**Summary of Code of Ethics:**

Wilson Kemp’s Code includes the following other information:

- Requirements related to the confidentiality of your (Client)
- Policies for both giving and receiving gifts from clients, brokers, and other persons with whom each firm does business. The gift policy is based on the applicable requirements of Comerica Incorporated’s Code of Ethics.
- With respect to the personal securities transactions of Access Persons and employees, the Code of Ethics requires all employees to report (on an on-going and quarterly basis) all personal securities transactions (what we call “reportable securities” as mandated by regulation).
- On an annual basis, we require all employees to re-certify to our Code, identify members of their household and any account to which they have a beneficial ownership (they “own” the account or have “authority” over the account), securities held in certificate form and all securities they own at that time).
- Prohibitions on:

- Acquiring directly or indirect any security in an “initial public offering” (IPO) for his or her own personal account except IPOs of registered investment companies;
- Acquiring directly or indirect any security in a “limited offering” (or sometimes referred to as “private placements”) for his or her own personal account except after receiving pre-clearance from Wilson Kemp’s CCO.
- Service as Board of Director of any publicly-traded company or privately-held company without prior authorization;
- Outside held personal brokerage accounts without CCO approval.
- No prohibition on personal trading

## **Item 12 – Brokerage Practices**

### **General Considerations – selecting/recommending brokers for client transactions and commission charges:**

Wilson, Kemp & Associates, Inc. has investment and brokerage discretion on its accounts. Brokerage firms are generally selected on the basis of their research and execution capabilities. The level at which commissions on transactions are to be discounted are negotiated by a principal of the firm. Additionally, clients may incur transactions costs in addition to any commissions charged by the broker-dealer when trades in over-the-counter securities are effected on their behalf through the broker-dealer on any agency basis. Broker custody of client assets may limit or eliminate Wilson Kemp’s ability to obtain best price and execution in over-the-counter or other securities.

Wilson Kemp does not select or recommend a broker-dealer based on whether it receives referrals from such broker-dealer.

Wilson Kemp may, from time to time, recommend use of or direct client transactions to Comerica Securities, Inc. which is a related person to Wilson Kemp. Wilson Kemp’s duty is to obtain best price and execution, and an inherent conflict of interest exists in placing brokerage with an affiliated party. Wilson Kemp may use unaffiliated broker-dealers for some transactions in order to obtain best price and execution. In some instances, Wilson Kemp may not be able to execute security transactions that are “blocked” with other client accounts, access a market-maker in over-the-counter securities, or use an unaffiliated broker. These factors may have the effect of higher transaction cost than what might otherwise be obtained and therefore, may not constitute best price and execution.

### **Investment Research Products and Services Provided by Broker-Dealers:**

Wilson Kemp acquires brokerage and research products and services with client commissions (“soft dollars”). Wilson Kemp engages in soft dollar transactions on trades for those accounts for which it has the discretion to select the broker-dealer which results in Wilson Kemp not having to pay for products and services. The products and services which Wilson Kemp may obtain from broker-dealers include fundamental and quantitative databases, economic statistics and opinions, market information services, portfolio management software, and capital markets data and software, and may be both proprietary to the broker-dealer or from third parties. In recognition of the value of brokerage and/or research services provided by a broker, commissions may be in excess of that which another broker might have charged for effecting the same transactions. Research services furnished by brokers through whom the firm effects “soft dollar” securities transactions may be used in servicing all the firm’s accounts. Not all such services may be used by Wilson Kemp in connection with the accounts which paid commissions to the broker(s) providing such services.

Wilson Kemp takes into consideration a number of criteria when selecting broker/dealers to direct client transactions for the purpose of soft dollar benefits. These considerations include, but are not limited to, national recognition, a broad range of product/service offerings, competitive pricing, and best execution. Wilson Kemp’s Brokerage Oversight Committee must approve all new brokers including brokers considered for soft dollar benefits.

Thus, Wilson Kemp may have an incentive to select or recommend a broker-dealer based on its interest to receive the soft dollar products and services rather than the client’s interest in receiving most favorable execution.

### **Mixed Use Research Products:**

Wilson Kemp also receives products and services that provide both research and non-research benefits. The research portion of mixed-use items may be paid for with soft dollars, Wilson Kemp makes a good faith allocation between the cost of the research portion and the cost of the non-research portion of the mixed-use items. Wilson Kemp will pay for the non-research portion of the mixed-use items with hard dollars. Accordingly, there is a conflict of interest inherent in making an allocation between the cost of research and non-research portions of a mixed-use item. Wilson Kemp will endeavor to make such allocations fairly and in good faith.

### **Directed Brokerage:**

Wilson Kemp will permit a client to direct Wilson Kemp to execute transactions through a specified broker-dealer. When a client directs Wilson Kemp to place trades with a specific broker-dealer some or all of the time, the client may not receive any benefit from the savings on execution costs that Wilson Kemp may obtain if Wilson Kemp were free to negotiate discounts or “block” orders with other clients. Clients who direct brokerage may experience higher transaction costs on some or all trades executed on their behalf. Wilson Kemp does not monitor the commission rates with such directed broker-dealers or otherwise evaluate the nature, quality or value of any services or benefits clients receive from such directed brokerage. Clients who direct their trades through specified broker-dealers may not necessarily receive best price and execution. They may experience higher transaction costs on some or all security transactions.

### **Block Trading:**

When Wilson Kemp deems the purchase or sale of a security to be necessary or appropriate for two or more of its advisory clients, Wilson Kemp generally enters individual orders for each participating client but informs the broker that each such order is a component of the larger so as to achieve volume discounts and more efficient executions. However, Wilson Kemp also may aggregate to the extent permitted by applicable law and regulations, the securities to be purchased or sold to seek best execution.

Wilson Kemp may combine orders for the purchase and sale of securities on behalf of most investment advisory clients. Based on the time each order is received, Wilson Kemp will:

- Ensure that no client is intentionally favored over any other client account;
- Ensure that each client account participates in aggregated orders at the average execution price for the appropriate time frame;
- Combine trades only if consistent with its duty to seek best execution and with the terms of the relevant investment advisory agreements and applicable law;
- Specify the participating client accounts and the relevant allocation method with regard to an aggregated order;
- Allocate “partial fills” using
  - Pro rata allocation method – all accounts participating receive a portion of the original order;
  - De minimus allocation method – participating accounts which had an order for 100 shares or fewer may be allocated their order fully before the remaining shares are allocated to the remaining client accounts; or

- Minimum lot sizes – participating accounts in which the allocation would result in the account receiving a number of shares which is less than the “minimum lot size” may be filled before the remaining accounts. Generally, minimum lot size is between 1 and 100 shares.

### **Initial Public Offerings (IPO):**

As a general matter, Wilson Kemp does not participate in securities sold in underwritten public offerings (“Deals”). In the unlikely event Wilson Kemp does participate in Deals, Wilson Kemp’s policy is to allocate among participating client accounts in a fair and equitable manner. “Deal” opportunities may not be allocated in a manner that unfairly discriminates in favor of certain clients or types of clients. “Deal” allocation considerations include:

- Full allocation – when Wilson Kemp receives an allocation of securities equal to the aggregate amount ordered by Wilson Kemp, Traders will allocate securities among the participating accounts in accordance with the original indications of interest. The Traders may not change the original allocation without the prior approval of the Chief Investment Officer or his or her designee.
- Allocating reduced allotments – When Wilson Kemp receives an allocation of securities which is less than the aggregate amount requested, the Traders should allocate the reduced allotment in accordance with the initial “allocation percentages” except where this would result in a *de minimus* allocation in a client account.

### **Cross Trading:**

As a general matter, all trades executed on behalf of client accounts at Wilson Kemp are executed through the markets. Where it might be advantageous to Wilson Kemp clients to engage in “cross trading” between client accounts, Wilson Kemp seeks to execute the trade through the market at appropriate transaction costs given the nature of the trade. Therefore, Wilson Kemp generally does not engage in cross trades that would meet the definition of agency cross transactions.

To the extent that an agency cross trade may be necessary or appropriate for eligible accounts, prior written approval must be obtained from the Chief Investment Officer and the Compliance Department. Wilson Kemp *may* engage in cross trading for non-ERISA clients. Wilson Kemp *may not* engage in cross trading for ERISA clients, Wilson Kemp subadvised registered funds, or any of Wilson Kemp’s affiliates.

### **Item 13 – Review of Accounts**

Each Wilson Kemp account is monitored regularly by a Portfolio Manager of the firm. This includes a comprehensive review of a portfolio's holdings at least quarterly. Accounts are formally reviewed on an annual basis and a copy of the review is retained. All new accounts are reviewed after funding. The review consists of comparing the target allocations as defined in the client's investment guidelines to the actual allocation. Cash balances are also monitored. In addition, a review of legal documents and investment guidelines is performed. The review is completed and signed by the Portfolio Manager, as applicable. Each Portfolio Manager has responsibility for less than 250 client relationships.

At least quarterly, each client receives a written report consisting of an investment review and summary of principal transactions.

### **Item 14 – Client Referrals and Other Compensation**

Wilson, Kemp & Associates, Inc. maintains certain written agreements with independent agents where these agents may be compensated by Wilson Kemp for introducing prospective investment advisory clients. The agents may receive a cash fee based on a fixed percentage of the asset based fee that Wilson Kemp collects from the client if the prospective clients engages Wilson Kemp in an investment advisory relationship. The arrangement continues for as long as the client retains Wilson Kemp for investment advisory services. Under no circumstances is the fee paid by the client(s) higher than would have been otherwise paid to Wilson Kemp if they approached Wilson Kemp directly.

At the time any prospective client is introduced to the Wilson Kemp by an agent, the prospective client will be provided with a written disclosure statement describing the referral relationship and be required to sign an acknowledgment of the written disclosure statement.

Wilson Kemp has solicitation agreements with the following company:

The Private Bank (formerly known as The Bank of Bloomfield Hills)

### **Item 15 – Custody**

Wilson Kemp does not have actual custody of any of its client's securities. Wilson Kemp's affiliate and parent company, Comerica Bank, is a qualified custodian.



In the event a client receives account appraisal information (security description, shares, market value, cost basis information) from Wilson Kemp, it is possible that the client's custodian statement will have a different market value and/or cost basis information. While the information contained in our appraisal is compiled from sources that are believed to be reliable and accurate, we do not guarantee its accuracy. As a result, you should rely on your custodian's information provided in their monthly statements for any financial, tax, or other reporting you may be required to perform. Your custodian statement is the official record of your account.

### **Item 16 – Investment Discretion**

Wilson, Kemp & Associates, Inc. has the authority to determine, without obtaining specific client consent the securities to be bought or sold, the amount of the securities to be bought or sold, the broker or dealer to be used, and the commission rates paid.

Wilson Kemp tailors its investment advice to suit the individual needs of its clients by considering their individual situations. Also, the client can specify restrictions or guidelines for the investment discretion exercised by Wilson Kemp.

In the event a client had limitations to Wilson Kemp's investment discretion, the limitations would be in a written directive executed by the client mutually agreed upon and signed by Wilson Kemp and the client prior to funding.

### **Item 17 – Voting *Client* Securities**

Wilson, Kemp & Associates, Inc. does not vote proxies for client accounts. Clients will receive proxies and other solicitations directly from the custodian or transfer agent. Clients may contact Wilson Kemp with questions about a particular solicitation.

### **Item 18 – Financial Information**

Wilson, Kemp & Associates, Inc. is not required to include its balance sheet as part of its Form ADV, and does not have any additional disclosures related to its financial information.

## **Item 19 – Requirements for State-Registered Advisers**

This section is not applicable to Wilson, Kemp & Associates, Inc. as it is an SEC registered investment adviser.

# Part 2B of Form ADV: *Brochure Supplement*

## Item 1 Cover Page

This brochure supplement is provided on our President, Mark Edward Van Faussien

Mark's contact information is:

Mark E. Van Faussien, President  
Wilson, Kemp & Associates, Inc.  
255 E. Brown Street, Suite 200  
Birmingham, Michigan 48009  
mevanfaussien@comeirica.com  
248-594-4100

March 31, 2011

***This brochure supplement provides information about our employee, Mark Van Faussien, that supplements our Form ADV, Part 2 (brochure, attached). You should have received a copy of that brochure as we include this supplement with all copies. Please contact Mark Van Faussien if you did not receive OUR BROCHURE or if you have any questions related to the brochure or this supplement.***

***Additional information about Mark Van Faussien is available on the SEC's website at [www.adviserinf.sec.gov](http://www.adviserinf.sec.gov)***

## **Item 2 Educational Background and Business Experience**

Mark Edward Van Faussien, born 1964. Mr. Van Faussien graduated from Central Michigan University with a Bachelor of Science in Business Administration and received his M.B.A. from the University of Detroit. Mr. Van Faussien is Chief Investment Officer of Wilson Kemp and has been a portfolio manager with the firm since 1989.

## **Item 3 Disciplinary Information**

None.

## **Item 4 Other Business Activities**

None.

## **Item 5 Additional Compensation**

None.

## **Item 6 Supervision**

Wilson Kemp's Compliance Program is the basis for supervising and monitoring Wilson Kemp employees. The key elements of Wilson Kemp's Compliance Program are **Compliance Policy & Procedures, Corporate Governance, Risk Assessment, Testing and Training.**

- **Compliance Policy & Procedures** – The Wilson Kemp's Compliance Manual – This manual includes relevant policies and procedures to ensure compliance with applicable securities laws and regulations when Wilson Kemp engages in the business of providing investment management services. It is the employee's responsibility to read and comply with the Compliance Manual and any subsequent Compliance Notices issued regarding compliance policies and procedures. The responsibility for the supervision and administration of the compliance program is vested in the officers and directors of Wilson Kemp Asset Management.
- **Corporate Governance** – Wilson Kemp's CCO has created or caused to be created, various committees, both formal and informal, as part of Wilson Kemp's compliance program and to fulfill the obligation to delegate the risk assessment across the business units. By delegating the enforcement of the Advisers compliance program and risk assessment, the CCO seeks to involve and make accountable all levels of the business unit to ensure that the firm has in place an effective compliance program. To that end, formal and informal committees have been created, including but not limited to, Risk Management Committee, Brokerage Oversight Committee, Proxy Committee, Product Management Committee, Operating Committee, and SRI Committee. The Brokerage Oversight Committee, Proxy Committee, and Product Management Committee report up through the Risk Management Committee. The Risk Management Committee reports up to Wilson Kemp's Board of

Directors. All of these committees come together to form a comprehensive corporate governance structure that is designed to foster open dialogue and an escalation avenue. It is through this corporate governance structure that Wilson Kemp's CCO is able to establish an infrastructure that forms the basis of the firms' effective compliance programs.

- **Risk Assessment** - Investment Advisers are required to implement a compliance program reasonably designed to **prevent, detect, and mitigate** violations of the Advisers Act. In meeting this requirement, the SEC advocates that advisers conduct a comprehensive risk assessment of the firms operations to identify risks to the interests of the firm and its clients. Wilson Kemp has a comprehensive risk assessment approach that evaluates risk at many different levels including but not limited to, **operational, business, financial, and regulatory**. Generally, the risk assessment is performed annually at the beginning of the year.
- **Testing** - Testing policies and procedures is required as part of an effective compliance program. There are many forms of testing. Wilson Kemp uses the SEC's guidance in developing and implementing their testing plans. Wilson Kemp's testing program includes transactional testing methods, periodic testing methods, and forensic testing methods.

**Training** - As described above, each Wilson Kemp employee is responsible for knowing and understanding the policies and procedures included in the Compliance Manual. The Compliance department and the management teams at Wilson Kemp are responsible for ensuring that all employees have adequate training related to the policies and procedures in the Compliance Manual. Annually, the Compliance department conducts Code of Ethics training. Employee attendance is mandatory and is evidenced by his/her signature on an attendance document. Additionally, managers are encouraged to inform the Compliance department if there are other areas that they feel employees need training. The Compliance department will hold special training sessions on those topics throughout the year. The Compliance department as part of the risk assessment or control exam recommendation may also provide additional training on a particular topic or area.

## **Item 7 Requirements for State-Registered Advisers**

This section is not applicable to Wilson, Kemp & Associates, Inc.

# **Part 2B of Form ADV: *Brochure Supplement***

## **Item 1 Cover Page**

This brochure supplement is provided on our Vice President, Donald Alfred Lindow

Donald's contact information is:

Donald Lindow, Wilson, Kemp & Associates, Inc.  
255 E. Brown Street, Suite 200  
Birmingham, Michigan 48009  
dalindow@comeirica.com  
248-594-4100

March 31, 2011

***This brochure supplement provides information about our employee, Donald Lindow, that supplements our Form ADV, Part 2 (brochure, attached). You should have received a copy of that brochure as we include this supplement with all copies. Please contact Donald Lindow if you did not receive OUR BROCHURE or if you have any questions related to the brochure or this supplement.***

***Additional information about Donald Lindow is available on the SEC's website at [www.adviserinf.sec.gov](http://www.adviserinf.sec.gov)***

## **Item 2 Educational Background and Business Experience**

Donald Alfred Lindow, born 1948. Mr. Lindow graduated from the University of Michigan and received an investment management certificate from Princeton University. Mr. Lindow is a Vice President and has been a portfolio manager with the firm since 1998.

## **Item 3 Disciplinary Information**

None.

## **Item 4 Other Business Activities**

None.

## **Item 5 Additional Compensation**

None.

## **Item 6 Supervision**

Wilson Kemp's Compliance Program is the basis for supervising and monitoring Wilson Kemp employees. The key elements of Wilson Kemp's Compliance Program are **Compliance Policy & Procedures, Corporate Governance, Risk Assessment, Testing and Training.**

- **Compliance Policy & Procedures** (generally referred to Wilson Kemp's Compliance Manual) – This manual includes relevant policies and procedures to ensure compliance with applicable securities laws and regulations when Wilson Kemp engages in the business of providing investment management services. It is the employee's responsibility to read and comply with the Compliance Manual and any subsequent Compliance Notices issued regarding compliance policies and procedures. The responsibility for the supervision and administration of the compliance program is vested in the officers and directors of Wilson Kemp Asset Management.
- **Corporate Governance** – Wilson Kemp's CCO has created or caused to be created, various committees, both formal and informal, as part of Wilson Kemp's compliance program and to fulfill the obligation to delegate the risk assessment across the business units. By delegating the enforcement of the Advisers compliance program and risk assessment, the CCO seeks to involve and make accountable all levels of the business unit in order to ensure that the firm has in place an effective compliance program. To that end, formal and informal committees have been created, including but not limited to, Risk Management Committee, Brokerage Oversight Committee, Proxy Committee, Product Management Committee, Operating Committee, and SRI Committee. The Brokerage Oversight Committee, Proxy Committee, and Product Management Committee report up through the Risk Management Committee. The Risk Management Committee reports up to Wilson Kemp's Board of Directors. All of these committees come together to form a comprehensive corporate

governance structure that is designed to foster open dialogue and an escalation avenue. It is through this corporate governance structure that Wilson Kemp's CCO is able to establish an infrastructure that forms the basis of the firms' effective compliance programs.

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## **Item 7 Requirements for State-Registered Advisers**

This section is not applicable to Wilson, Kemp & Associates, Inc.



# Part 2B of Form ADV:

## *Brochure Supplement*

### Item 1 Cover Page

This brochure supplement is provided on our Portfolio Manager, William C. Gough

William's contact information is:

William C. Gough, Wilson, Kemp & Associates, Inc.  
255 E. Brown Street, Suite 200  
Birmingham, Michigan 48009  
wcgough@comeirica.com  
248-594-4100

March 31, 2011

***This brochure supplement provides information about our employee, William Gough, that supplements our Form ADV, Part 2 (brochure, attached). You should have received a copy of that brochure as we include this supplement with all copies. Please contact William Gough if you did not receive OUR BROCHURE or if you have any questions related to the brochure or this supplement.***

***Additional information about William Gough is available on the SEC's website at [www.adviserinf.sec.gov](http://www.adviserinf.sec.gov)***

## **Item 2 Educational Background and Business Experience**

William C. Gough, CFA: Born 1975, received a Bachelor of Science in Business Administration from the University of Detroit Mercy. Mr. Gough joined Wilson Kemp in September 2010. Prior to joining Wilson Kemp, Mr. Gough was a co-manager of Comerica Asset Management's Dynamic Focus Strategy and Portfolio Manager for Wealth and Institutional Management since 2006. Mr. Gough began his career in 1999 with American Express as a Financial Advisor and then joined Morgan Stanley in 2000 as a Financial Advisor providing investment management services to high net worth clients and business owners. He is a CFA Charterholder and holds FINRA Series 7, 63 & 65 licenses.

## **Item 3 Disciplinary Information**

None.

## **Item 4 Other Business Activities**

None.

## **Item 5 Additional Compensation**

None.

## **Item 6 Supervision**

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Brokerage Oversight Committee, Proxy Committee, Product Management Committee, Operating Committee, and SRI Committee. The Brokerage Oversight Committee, Proxy Committee, and Product Management Committee report up through the Risk Management Committee. The Risk Management Committee reports up to Wilson Kemp's Board of Directors. All of these committees come together to form a comprehensive corporate governance structure that is designed to foster open dialogue and an escalation avenue. It is through this corporate governance structure that Wilson Kemp's CCO is able to establish an infrastructure that forms the basis of the firms' effective compliance programs.

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## **Item 7      Requirements for State-Registered Advisers**

This section is not applicable to Wilson, Kemp & Associates, Inc.

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