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This Form ADV Part 2A (Investment Advisor Brochure) gives information about the investment advisor and its business for the use of clients and prospective clients. If you have any questions about the contents of this brochure, please contact us using one of the methods listed above. 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. Registration is mandatory for all persons meeting the definition of investment advisor and does not imply a certain level of skill or training. Additional information about our firm is available on the SEC's website at: www.adviserinfo.sec.gov

Material Changes

There have been no material changes to the Firm's ADV Part II Brochure since its last update, which was filed March 2011. Material changes to the ADV Brochure will be provided as a separate document to clients who have received previous versions of this brochure.

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Advisory Business

Advisory Firm

Victoria Capital Management, Inc. (VCM) is a state registered investment advisor and is in the primary business of managing portfolios consisting of individual fixed income and equity securities and exchange-traded funds. VCM has been providing investment advisory services since 2000. Diane V. Nugent is the founder and President and has been in the financial services industry since 1986.

Advisory Services

As of December 31, 2010, VCM managed \$33 million on a discretionary basis.

The firm provides portfolio management services through several programs. The Enterprise Program is an equity only approach offering both capital appreciation and a moderate income. The Wealth Maintenance Program offers stability of principal with income by using a blend of fixed-income and equity securities. The Vista Program consists of five asset allocation portfolios of exchange-traded funds. The five portfolios range from (1) conservative to (5) aggressive and have associated levels of return and risk to meet the needs of people saving for retirement.

In addition to individual portfolio management, VCM provides a written quarterly investment perspective and a customized quarterly letter that assists clients in understanding the firm's investment process and strategy. VCM may also provide ad hoc written communication in an effort to educate clients about financial markets. Any publication of reports offered will be provided as part of the advisory services and not for a subscription or fee.

Types of Clients

VCM provides investment advisory services to individuals, trusts, foundations and other tax-exempt portfolios and pension and profit-sharing plans such as 401(k), defined benefit, IRA, Roth IRA and SIMPLE IRAs.

Methods of Analysis and Investment Strategies

The Enterprise Program's investment philosophy and approach is based upon the analysis of both individual securities and general market conditions. Recommendations and forecasts are based on our assessment of current fiscal and monetary policy and other economic fundamentals. The psychological aspect of each investment (business philosophy, strategy, attitude, track record and background of top management, for example) can also be as much of a factor as fundamental aspects. Evaluation of a client's current investments is made to ascertain whether or not the fundamental characteristics synchronize with the client's objective. Due to the fact that each account is individually managed, the firm's professionals may give advice and/or take action for some clients that may differ from advice given or the timing or nature of action taken for others.

The Wealth Maintenance Program's investment philosophy and approach is that an actively managed portfolio of fixed income securities can provide a reasonable flow of income while capital can be preserved. Portfolio decisions are based upon conclusions regarding monetary policy, interest rates and inflation as well as the credit characteristics of non-government debt instruments. Securities are managed based on their current yield, yield to maturity, and duration paying specific attention to any call features that could affect the future income from each investment. Portfolios are diversified by coupon, maturity and quality based upon our expectations for achieving individual client objectives. The ability to increase income while maintaining principal will depend on both the direction and level of interest rates over time.

The Vista Program's investment philosophy and approach is based upon the analysis of general market conditions, the outlook for various asset classes and the selection of exchange-traded funds to construct portfolios with different risk/reward characteristics. Portfolios are reconstituted periodically to conform to the overall weighting guidelines as determined at least on a quarterly basis. There are five asset allocation portfolio models that are used at the outset of each client relationship. A particular model is used for a specific client depending on their risk and reward characteristics relative to their investment objectives. Over time, recommendations for shifts from one portfolio model to another will be made depending on changing financial circumstances. The selection of exchange-traded funds will take into account overall performance and total expense ratios of funds.

VCM evaluates each client's financial circumstances and tolerance for different types of risk. Using an Investment Profile Questionnaire, VCM evaluates the investment alternatives that would make the most sense for each client. Client circumstances are periodically evaluated to insure that the investment strategy being used for portfolio management is appropriate.

Performance of accounts will vary depending on a variety of factors such as services utilized, brokerage firm selection and restrictions placed by clients on accounts, size of the account, plus a number of other factors since all accounts are managed in accordance to client's specific goals, objectives and risk profile.

Risk of Loss

Investing involves risk. The investment return and principal value will fluctuate. While there is risk in all investments, some carry a greater degree of risk or higher costs. There is no guarantee that the investment strategy selected with the client will result in the client's goals being met, nor is there any guarantee of profit or protection from loss. There can be no guarantee of investment results or performance given the inherent characteristics of financial securities.

Among individual securities there are different types of risk that are enumerated as follows:

High yield bonds are issued by companies with low credit ratings. As a result these bonds have a higher degree of market risk due to the potential for missed interest payments or, in the worst case a default on both interest and principal. These securities may also be subject to greater market price fluctuations than lower yielding higher rated debt securities. Generally, fixed income securities fluctuate in price due to changes in inflation expectations, changes in monetary policy, the timing of the business cycle and the ability for the bond market to absorb the sale of a large amount of securities. Interest income and the return of principal are only guaranteed by the issuing entity. If that entity fails to pay income or principal its existence may be questionable and little if any investment may be recovered.

Foreign company investments can also be risky as they are subject to the economic situation of the countries where they are domiciled. Swings in currency values relative to the U.S. dollar can also benefit or undermine the stock prices of such companies.

While diversification through an asset allocation strategy is a useful technique that can help to manage overall portfolio risk and volatility, there is no certainty or assurance that a diversified portfolio will enhance overall return or outperform one that is not diversified. An investment made according to one of these asset allocation models neither guarantees a profit nor prevents the possibility of loss.

There are tax consequences for short-term trading (less than one year) wherein capital gains are taxed as ordinary income. Additionally, some states also tax capital gains at regular income tax rates.

Fees and Compensation

Investment advisory services are furnished on a continuous basis based on each client's specific goals and objectives. Fees are based on a percentage of the total market value of assets in the investment account at the end of each three-month period. The current fee schedule is broken down as follows:

Equities and Exchange-traded Funds

150 basis points on the first \$1 million under management,
100 basis points on the next \$1 million under management, and
75 basis points on the next \$3 million under management

Fixed Income Securities/Cash

75 basis points on the first \$1 million under management,
35 basis points on the next \$1 million under management,
25 basis points on the next \$3 million under management

Fees for clients with assets under management in excess of \$5 million are negotiable.

Fees may be negotiated on a basis that differs from these schedules if circumstances warrant.

Fees for advisory services will be calculated based upon the aggregate market value of all assets under management within the client's account, including allocations to cash. The quarterly fee is calculated by taking one fourth of the quarterly fee based on the ending market value of the account. VCM may group accounts of a client together for billing purposes. In the event of termination during a quarterly period, adjustments in advisory fees are made, whenever appropriate.

Investment advisory agreements between VCM and its clients are customarily terminable at any time by the client. However, VCM customarily may terminate upon a written 30-day advance notice to the client. In certain instances, clients may require in their agreements that advance written notice be provided by both parties.

Performance-Based Fees

VCM does not charge performance-based fees, which is based on capital gains or total return in the client account.

Disciplinary Information

An investment advisor must disclose material facts about any legal or disciplinary event that is material to a client's evaluation of the advisory business or of the integrity of its management personnel.

VCM has no disciplinary history.

Other Financial Industry Activities and Affiliations

The firm has sub-advisory agreements with Fremont Financial Advisors, Inc., Double Honor Financial, Inc. and PlanMember Securities, Inc. that involves providing qualified clients with investment advisory services consistent with those offered to other VCM clients. Fremont Financial Advisors, Inc., Double Honor Financial, Inc. and PlanMember Securities, Inc. receive a portion of the advisory fees paid by their clients.

Code of Ethics:

VCM maintains a Code of Ethics. The Code of Ethics sets forth standards of conduct expected of advisory personnel; requires compliance with state securities laws; and, addresses conflicts that arise from personal trading by advisory personnel.

In summary, VCM's Code of Ethics establishes rules of conduct for all access persons of VCM and is designed to govern personal securities' trading activities in the accounts of access persons. The Code of Ethics is based upon the principle that VCM and its access

persons owe a fiduciary duty to VCM clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm, and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility. The Code of Ethics is designed to ensure that the high ethical standards long maintained by VCM continue to be applied. The purpose of the Code of Ethics is to preclude activities that may lead to or give the appearance of conflicts of interest, insider trading and other forms of prohibited or unethical business conduct. The excellent name and reputation of our firm continues to be a direct reflection of the conduct of each access person. Clients may request a copy of the Code of Ethics by calling VCM at (843) 342-3044.

Personal Trading

The policy of VCM is that officers, employees and their immediate families are prohibited from executing transactions in the securities recommended to clients prior to the completion of the recommended transactions for clients' accounts. Additionally, all employee portfolios are resident at VCM and are managed in accordance with appropriate investment objectives. Where officers, employees and their immediate families have similar or equivalent investment objectives, those accounts will be included in block transactions with clients as appropriate. Compliance is tracked on a daily basis and monitored on a quarterly basis through review of personal securities reports.

Brokerage Practices

The firm does not take custody of money or securities in advisory accounts. In placing orders for the purchase and sale of securities, the firm's professionals consider a number of factors including nature of security being traded, execution, clearance, settlement, the efficiency with which the transactions are effected and the ability to affect the transactions at all where a large block is involved. Clients are notified by the custodian via email of all trades if desired.

All costs and benefits are considered in selecting brokerage firms to execute orders including no or low cost, custodial, administrative and retirement plan services, as well as usage of computer and telecommunication services/equipment for up-to-date sophisticated computerized reports and comprehensive research information. When a client directs use of a broker for an account, then the firm may not be able to negotiate as competitive a commission rate, participate in block trades, or average price trades thus possibly negatively affecting net prices compared to the firm's other accounts. The firm is under no obligation to compensate any brokerage firm for research, reporting or computer services/equipment and utilizes these factors in determining broker/custodian relationships.

Soft Dollar Practices

VCM does not receive compensation from brokerage or custodian firms in the form of products or services (“soft dollars”). Brokers/custodians are suggested on the basis of minimum commissions consistent with record keeping services provided to VCM and its clients. There are no soft dollar relationships between VCM and brokers/custodians.

VCM understands its duty for best execution and considers all factors in making recommendations to clients. While VCM may not always obtain the lowest commission rate, VCM believes that the rate is reasonable in relation to the value of the brokerage services provided to the firm and to clients.

Review of Accounts

All portfolios managed by VCM are under continuous review utilizing both the latest technology and access to accounts at the custodian broker as well as the maintenance of an in-house accounting system that tracks and proofs individual account records. Each account’s transactions are proofed daily to the in-house system. Deviations in value are resolved with the custodian as appropriate. Monthly statements are also reviewed for accuracy and tracked for portfolio return and variability. Clients have electronic access to their portfolios through the custodian on a real time basis. In most cases, portfolio strategy is implemented through block purchases and sales of equity and fixed income securities. At the end of each quarter, clients are provided with a custom analysis of their portfolio(s) as well as an economic and financial market update.

Investment objectives are reviewed annually and can be changed with verbal or written notice at the client’s discretion. It should be noted that all investment decisions are made in accordance with the guidelines and restrictions established for each account. The accounts are continuously monitored to make sure guidelines and restrictions are followed.

Trading activity of accounts is monitored weekly. All client holdings are reviewed at a minimum of monthly for suitability based upon client objectives and VCM’s investment strategy. Performance of accounts is monitored monthly. Diane Nugent reviews the accounts weekly, while Tom Nugent and Diane Nugent conduct quarterly and annual account reviews.

It is the policy of the firm to assign no more than a reasonable number of client accounts to a portfolio manager based upon time and complexity constraints.

Client Referrals and Other Compensation

In the event the firm should pay cash referral fees, the referral agreement and the related activities will be in compliance with Rule 206(4)-3 of the Investment Advisors Act of 1940. Rule 206(4)-3 specifies certain standards that must be met by an investment advisor prior to the payment of a cash fee, directly or indirectly, for a client solicitation or referral.

Custody

VCM does not take possession of securities or cash. All client assets are placed with an independent custodian. VCM has written permission to make trades in client accounts and to deduct quarterly fees in arrears.

Investment Discretion

VCM requires full discretion for account management. At the outset of a relationship, VCM will present an investment program for client approval. Subsequent to approval, VCM will implement that program in a timely way. If there is to be an overall change in client objectives or portfolio strategy, VCM will seek verbal or written client approval.

Voting Client Securities

VCM does not vote client proxies. Voting is a responsibility of each client. Clients will receive proxy materials from the custodian. However, VCM will provide some basic guidance for the voting of a proxy upon request.

Financial Information

An investment advisor must provide financial information if a threshold of fee prepayments is met; there is a financial condition likely to impair the ability to meet contractual commitments; or, a bankruptcy within the past ten years. VCM does not have any disclosure items in this section.

Education and Business Background

VCM requires all portfolio managers to have at least an accredited undergraduate college Degree and/or strong experience in related areas (such as investment, business and financial analysis). All portfolio managers are required to pass the Series 65 within 90 days of hire.

Current Employees

Diane V. Nugent (b. 1965), President

European University, B.B.A 1986

Henley Management College, M.B.A 1987

Victoria Capital Management, Inc, Investment Advisor, President/CEO, 10/2000 --

Global Fund Advisors, Inc., Investment Advisor, Portfolio Manager, 11/1995 to 04/1999

Wilshire Associates, Pension Consultant, Associate, 01/1994 to 12/1994

Thomas E. Nugent (b.1942), Chief Investment Officer

Seton Hall University, B.S. in Ed. 1964

Rutgers University, M.B.A. in Finance and Economics 1971

PlanMember Financial Corporation, Retirement Planning, CIO, 04/2001 to Present

Victoria Capital Management, Inc., Investment Advisor, Investment Strategist, 12/2000 to Present

Laffer Associates, Economic Consulting, Executive VP, 02/2000 to 02/2001