

Uniform Application for Investment Adviser Registration

OMB APPROVAL	
OMB Number:	3235-0049
Expires:	February 28, 2011
Estimated average burden hours per response9.01

Name of Investment Adviser:

Herr Capital Management, LLC

Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code	Telephone number
53 West Jackson Blvd., Suite 430	Chicago	ILLINOIS	60604	(312)	697-1600

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.

Definitions for Part II

Related person - Any officer, director or partner of applicant or any person directly or indirectly controlling, controlled by, or under common control with the applicant, including any non-clerical, non-ministerial employee.

Investment Supervisory Services – Giving continuous investment advice to a client (or making investments for the client) based on the individual needs of the client. Individual needs include, for example, the nature of other client assets and the client's per-sonal and family obligations.

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 instructions below.)
Applicant:	
<input checked="" type="checkbox"/> (1) Provides investment supervisory services	<u>15 %</u>
<input type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services	<u>%</u>
<input checked="" type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above	<u>65 %</u>
<input type="checkbox"/> (4) Issues periodicals about securities by subscription	<u>%</u>
<input type="checkbox"/> (5) Issues special reports about securities not included in any service described above	<u>%</u>
<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	<u>%</u>
<input checked="" type="checkbox"/> (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities	<u>20 %</u>
<input type="checkbox"/> (8) Provides a timing service	<u>%</u>
<input type="checkbox"/> (9) Furnishes advice about securities in any manner not described above	<u>%</u>

(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
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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 checked="" type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input checked="" 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 checked="" type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment Companies | <input type="checkbox"/> G. Other (describe on Schedule F) |
| <input 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).

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity Securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | I. Options contracts on: |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input checked="" type="checkbox"/> (1) securities |
| <input checked="" type="checkbox"/> (3) foreign issuers | <input type="checkbox"/> (2) commodities |
| <input checked="" type="checkbox"/> B. Warrants | J. Futures contracts on: |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | <input type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> E. Certificates of deposit | K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> F. Municipal securities | <input type="checkbox"/> (1) real estate |
| G. Investment company securities: | <input type="checkbox"/> (2) oil and gas interests |
| <input checked="" type="checkbox"/> (1) variable life insurance | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (2) variable annuities | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <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 checked="" 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 checked="" 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 (securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases (securities sold within a year) | (6) <input checked="" type="checkbox"/> Option writing, including covered options, uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

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

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
- year of birth
- formal education after high school
- 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:
 - (1) broker-dealer
 - (2) investment company
 - (3) other investment adviser
 - (4) financial planning firm
 - (5) commodity pool operator, commodity trading advisor or futures commission merchant
 - (6) banking or thrift institution
 - (7) accounting firm
 - (8) law firm
 - (9) insurance company or agency
 - (10) pension consultant
 - (11) real estate broker or dealer
 - (12) entity that creates or packages limited partnerships

(For each checked in 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).

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.)

Describe on Schedule F your code of ethics and state that you will provide a copy of your code of ethics to any client of prospective client upon request.

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

Reviews of accounts are conducted on a quarterly basis by both the advisory representative and investment advisor. Herr Capital Management, LLC performs ongoing investment research and analysis derived from internal research and research through firms not affiliated with Herr Capital Management, LLC. The research is used as a basis for recommended investments and for recommended changes in existing investment portfolios. Changes are not expected to occur each quarter; changes usually occur as a function of rebalancing a portfolio, financial markets presenting opportunities or obstacles, or as client goals dictate a change.

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

Advisory Representatives are required to provide their clients with a performance report at least quarterly, and to review the client's finances, financial goals, and accounts at least annually. These reviews may take place in any format agreeable to the advisory representative and client. Clients will receive confirmation of transactions, statements, and quarterly reports relating to their investment accounts as prescribed by the investment platform or program chosen. Advisory representatives are available during business hours to answer questions or other inquiries.

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

12. Investment or Brokerage Discretion.

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

(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; (unless applicant is registered or registering only with the Securities and Exchange Commission), or
 - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? Yes No

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: Herr Capital Management, LLC	SEC File Number: 801-	Date: 11.27. 2007
---	--------------------------	-----------------------------

(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: Herr Capital Management, LLC	IRS Empl. Ident. No.: 36-4346903
--	--

Item of Form (identify)	Answer
----------------------------	--------

<p>Item 1. D. [1. A. (2); (3); & (7), and 1. C. (1); (2); & (3)]</p>	<p>Herr Capital Management, LLC (“the investment advisor,” “the firm”) offers clients a full range of investment products, including stocks, bonds, and mutual funds, as well as insurance products. In addition to such products, we provide financial planning services, including estate planning, educational funding, and retirement plan services.</p> <p><u>ASSET ALLOCATION PROGRAMS</u> Advisory representatives may use various asset allocation programs to provide management services. Advisory Representatives assist a client with assessing the appropriate time horizon, goals and objectives for the client’s investments, and in recommending a portfolio strategy from the available options. Through the Asset Allocation program, Advisory Representatives are provided with ongoing investment research and recommendations enabling the representative to recommend appropriate changes to the client’s portfolio.</p> <p><u>Percentage of Asset Fees</u> Annual advisory fees for Asset Allocation programs are in addition to the management fees charged by the third party advisors, and are negotiable. The maximum annualized advisory fees, expressed as a percentage of the assets under management in the program, are:</p> <table style="margin-left: 40px;"> <tr> <td>First \$500,000</td> <td style="text-align: right;">2.35%</td> </tr> <tr> <td>Next \$500, 000</td> <td style="text-align: right;">2.00%</td> </tr> <tr> <td>\$1 Million to \$5 Million</td> <td style="text-align: right;">1.75%</td> </tr> <tr> <td>Above \$5 Million</td> <td style="text-align: right;">1.25%</td> </tr> </table> <p>Advisory and administrative fees are paid quarterly or monthly, as prescribed by the chosen platform or program descriptions, based on the value of the account. Fees are prorated for any partial periods. If a client so chooses, fees can be billed to and deducted directly from the client’s portfolio.</p> <p><u>WRAP FEE PROGRAMS</u> Herr Capital Management, LLC offers a select number of third party managers who sponsor wrap fee programs. Advisory Representatives solicit clients for the program(s) and assist a client in determining her or his goals and objectives. Clients pay one advisory fee to the sponsor of the wrap fee program for monitoring, management, and reporting. A portion of that advisory fee is paid to Herr Capital Management, LLC and its Advisory Representative.</p> <p>The prospective wrap fee client will be presented a copy of both the third party’s Form ADV, Part II (“Brochure”) in addition to the disclosures provided to the client in Herr Capital Management’s ADV, Part II, fully disclosing the services and the attendant fee schedules applicable to the client. Such documents will be presented to the client no later than the time at which the agreement is entered into. By law, a client has five working days to exercise the right to terminate an agreement without penalty, if the appropriate disclosure documents are not given to the client at least 48 hours prior to signing the related agreement.</p>	First \$500,000	2.35%	Next \$500, 000	2.00%	\$1 Million to \$5 Million	1.75%	Above \$5 Million	1.25%
First \$500,000	2.35%								
Next \$500, 000	2.00%								
\$1 Million to \$5 Million	1.75%								
Above \$5 Million	1.25%								

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: Herr Capital Management, LLC	SEC File Number: 801-	Date: 11.27. 2007
---	--------------------------	-----------------------------

(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: Herr Capital Management, LLC	IRS Empl. Ident. No.: 36-4346903
--	--

Item of Form (identify)	Answer
----------------------------	--------

Item 1. D. (continued)	<p><u>FINANCIAL PLANNING SERVICES</u></p> <p>Advisory Representatives may offer advisory services such as financial, estate retirement, and college planning services (“advisory services”). Advisory Representatives will collect data from the client and assist the client in developing a plan for working towards her or his financial goals and objectives.</p> <p>Advisory Representatives may maintain their own offices; advisory services may therefore vary, depending on the Advisory Representative providing the service and the client’s needs and sophistication.</p> <p>Advisory Representatives may maintain relationships with other financial entities, such as insurance companies, through which they are able to offer other financial products. Advisory Representatives do not have to be registered representatives of a broker dealer. If they do choose to be agents of a broker dealer, they must be registered with the same broker/dealer as the principal(s) of Herr Capital Management. In addition to the advisory fees that investment advisory representatives receive, the same persons or firm advising those purchases or sales will also receive the normal commissions on trades effected through them. Clients are hereby informed that there exists the possibility of a conflict of interest in such an arrangement.</p> <p><u>Fees for Financial Planning Services:</u> Fees for financial planning services may be charged on a fixed fee, an hourly, or on a retainer arrangement, as agreed upon between the Client and the Advisory Representative. Fees are negotiable, and will vary depending upon the complexity of the client’s needs and the total services to be provided.</p> <p><u>Fixed Fee payment:</u> Option A – Partial payment at contract inception; the remaining due at presentation of the plan. Option B – Due at the completion of services Option C - Fees are due on a quarterly basis, one quarter of the above fee due upon signing the advisory agreement, one quarter on the first business day of each calendar quarter thereafter until the fee is paid in full, or the services specified in the advisory agreement are completed (the plan is presented), at which time the remaining balance is due.</p> <p><u>Hourly Fee:</u> Up to \$400 per hour. Hourly fees will be due on a monthly basis, on the last business day of each calendar month, or in full upon completion of the service, whichever occurs first.</p> <p><u>Retainer fees:</u> Advisory Representatives may accept a pre-paid retainer depending upon the client’s needs and objectives. The client is never required to pre-pay, and may pay on the first business day of each calendar quarter as long as the advisory agreement remains in effect. Either party to the agreement, the Client or the Advisory Representative/ firm, may terminate the agreement with and upon written notice to the other party to the agreement, in which case the retainer will be refunded, prorated on a daily basis.</p>
------------------------	---

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: Herr Capital Management, LLC	SEC File Number: 801-	Date: 11.27. 2007
---	--------------------------	-----------------------------

(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: Herr Capital Management, LLC	IRS Empl. Ident. No.: 36-4346903
--	--

Item of Form (identify)	Answer
Item 1. D. (continued)	<p>An Advisory Representative may waive an hourly or a fixed fee if the Client later determines to pay fees based on a percentage of the account assets under management. This option is based upon the client's needs and objectives, and must be mutually agreed upon.</p> <p>A client may terminate the agreement – without penalty – within five business days after the execution [signing] of the advisory agreement, by providing written notice of such termination to Herr Capital Management. The client will be billed for all work done during this period.</p>
Item 4. A.	<p>Herr Capital Management, LLC analyzes individual mutual funds, stocks, or bonds using publicly available research, and allows its Advisory Representatives to recommend listed stocks and/or bonds that are suitable for the client's financial condition, with a view towards balance and diversification.</p> <p>Herr Capital Management analyzes individual mutual funds and account managers based upon their track record, investment strategy, and public reports / comparisons. The firm analyzes programs designed to select managers by reviewing the background of the person(s) involved in the review process, the methodology used within the program, and the disclosure documents related to the program.</p>
Item 6	<p>Terrence E. Herr, born in 1971, received a degree in Business Administration from Loyola University in Chicago in 1993. He is the Managing Partner of Herr Capital Management, LLC and has been a registered principal since December of 1997. Prior to these positions, Mr. Herr was a financial planner and insurance agent for Phoenix Home Life insurance company from December 1994 to December 1997; and a loan officer from June of 1993 to December of 1994.</p>
Item 7. A.	<p>In addition to investment advice, Mr. Herr's financial planning services may include advice on taxes, on insurance and on estate planning.</p>
Item 7. C.	<p>The principal business of Terrence Herr, the managing partner of Herr Capital Management, LLC, is as a registered representative/ agent of a Broker Dealer (approximately 60% of his work time). His work as an advisory representative of the Investment Advisor FSC and as an advisory representative of Herr Capital Management each require approximately 20% of his work time.</p>
Item 8. C.	<p>Unrelated firms : Mr. Herr is licensed as an insurance agent/ broker with as many as 30 (thirty) different insurance carriers. In that capacity, he may earn the normal commissions on products purchased by clients acting upon his recommendation as an investment adviser. The possibility of a conflict of interest is inherent in such a relationship. Financial planning fees may be waived in part or in full for clients effecting insurance purchases through the adviser.</p>
Item 8. C. (6) & (11)	<p>Herr Capital Management, LLC intends to pursue and to establish relationships with unrelated accounting firms, law firms, and banking institutions to provide a full range of advisory services and their related investment/ financial products.</p> <p>Related or affiliated firms that have financial or other beneficial arrangements with Herr Capital Management, LLC, the investment advisor, are:</p>

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: Herr Capital Management, LLC	SEC File Number: 801-	Date: 11.27.2007
---	--------------------------	----------------------------

(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: Herr Capital Management, LLC		IRS Empl. Ident. No.: 36-4346903
Item of Form (identify)	Answer	
(6) Bank	Mr. Herr's wife owns a non-controlling portion of stock in a family-held bank. The bank premises provide space for one of the offices for Herr Capital Management, LLC.	
(11) Real Estate	Mr. Herr is a real estate agent and is able to provide those services to advisory clients who desire him to do so.	
Item 9. B.	<p>As a registered principal of the broker dealer FSC Securities Corporation, Mr. Herr may effect transactions for clients of the investment advisor, Herr Capital Management, LLC. Prospective clients are hereby informed that there inherently exists in such a relationship the possibility of a conflict between the interest of the firm and those of the client. Client of the investment advisor are under no obligation to follow the recommendations given; should a client choose to follow the adviser's recommendations, she or he is under no obligation to effect the recommendations through either the investment advisor or the affiliated broker dealer. Clients electing to use the affiliated broker dealer are informed that the person recommending the transaction may, in addition to the advisory fee for that service, also receive the usual commission for the trade in that person's capacity as broker dealer agent, or realize economic benefit in that the affiliated firm receives income through the client's trading activity. There exists an inherent conflict of interest in such an arrangement.</p> <p>The firm and its advisory representative(s) may maintain relationships with established broker dealers whose compliance procedures accord with federal and state law and the rules and regulations of self-regulatory organizations.</p>	
Item 9. E.	<p>The principal(s) and Advisory Representatives of Herr Capital Management routinely buy and sell for their own accounts, as well as on behalf of clients, securities that may be the same as, similar to, or even the opposite of positions recommended by those persons to their advisory clients. In all cases, client transactions are given precedence over the orders to be placed for persons associated with the firm, except when there is an opportunity to bunch orders. If orders are bunched, any cost benefits of that arrangement shall be apportioned according to the percentage of that order represented by each account. When deemed appropriate, positions held or to be taken by the firm or its associated persons are disclosed to clients. However, the possibility of any real conflict of interest is essentially mitigated by the facts that the securities traded are of a public nature and in such limited quantities relative to the market that there is little or no likelihood that the firm's activities for its clients or for its own associated persons will have any appreciable effect on market prices.</p>	
Item 10.	<p>Herr Capital Management, LLC requires a minimum advisory account of \$25,000. For accounts under the "percentage of assets" compensation arrangement, the minimum fee is \$500 per year.</p>	
Item 12. B.	<p>In recommending broker dealer services, the principal of Herr Capital Management considers the following factors:</p> <p>The broker/ dealer is locally competitive – fees are similar for similar services;</p>	

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: Herr Capital Management, LLC	SEC File Number: 801-	Date: 11.27. 2007
---	--------------------------	-----------------------------

(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: Herr Capital Management, LLC	IRS Empl. Ident. No.: 36-4346903
--	--

Item of Form (identify)	Answer
----------------------------	--------

<p>Item 13. A. (Fees received from non-clients)</p>	<p>The firm's history of experience, clearing resources, technology support, and the atmosphere of efficient client service.</p> <p>Advisory Representatives of Herr Capital Management, LLC may align with an approved broker-dealer firm that will re-allow a portion of the normal fee paid by those clients referred by Herr Capital Management to, and opening accounts with, the aligned broker-dealer firm. Herr Capital Management, LLC and its investment advisory representatives acting as a solicitor for another registered investment advisory firm will disclose all material information and provide 1) the disclosure document to be signed by the client, which includes acknowledgement of receiving 2) a copy of the other investment advisor's ADV, Part II or equivalent brochure, describing that firm's services and fees in detail.</p> <p>Mr. Herr does not receive 12b-1 fees.</p> <p style="text-align: right;">End of Schedule F.</p>
---	--

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