

FORM ADV

Uniform Application for Investment Adviser Registration

Part II - Page 1

| OMB APPROVAL | |
|--|---------------|
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| | | | | | |
|--|----------------------------|------------------|------------|---------------------|-------------------------------|
| Name of Investment Adviser: Lara, Shull & May, LLC | | | | | |
| Address: (Number and Street) 7600 Leesburg Pike, Suite 120 East | (City) Falls Church, VA | (State) 22043 | (Zip Code) | Area Code: (703) | Telephone number: 827-2300 |

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.

1. A. Advisory Services and Fees. (check the applicable boxes) For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

- (1) Provides investment supervisory services 99.5 %
- (2) Manages investment advisory accounts not involving investment supervisory services _____ %
- (3) Furnishes investment advice through consultations not included in either service described above .. _____ %
- (4) Issues periodicals about securities by subscription _____ %
- (5) Issues special reports about securities not included in any service described above _____ %
- (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities _____ %
- (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities ... 0.5 %
- (8) Provides a timing service _____ %
- (9) Furnishes advice about securities in any manner not described above _____ %

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

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

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

- (1) A percentage of assets under management (4) Subscription fees
- (2) Hourly charges (5) Commissions
- (3) Fixed fees (not including subscription fees) (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)

- A. Individuals E. Trusts, estates, or charitable organizations
- B. Banks or thrift institutions F. Corporations or business entities other than those listed above
- C. Investment companies G. Other (describe on Schedule F)
- 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)

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

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

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

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

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

- | | |
|---|---|
| (1) <input type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input type="checkbox"/> Company press releases |
| (4) <input 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 type="checkbox"/> Margin transactions |
| (2) <input 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 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 adviser 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 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 or 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.

Accounts are reviewed on a quarterly or as-needed basis to ascertain whether the current asset allocation is in-line with the client's objectives and goals. Each account is reviewed by the investment advisor representative on record for the account.

The following individuals are assigned reviewing responsibilities:

E. Ronald Lara, CFP - President and Chief Compliance Officer
Frank T. Shull IV - Vice President
Ryan P. Joyce, CPA, CFP - Branch Office Manager, CO

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

Account performance statements are mailed to clients by the custodian of their account on a quarterly, and if applicable, monthly basis. Quarterly goal sheets are generated by the representative and mailed to the applicable clients.

12. Investment or Brokerage Discretion.

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

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

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

- has custody of client funds or securities (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: Lara, Shull & May, LLC | SEC File Number: 801- 68535 | Date: 03/25/2009 |
|--------------------------------------|--------------------------------|---------------------|

(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: Lara, Shull & May, LLC | | IRS Empl. Ident. No.: 26-1142393 | | | | | | | | | | | | | | | | | | | | |
|---|---|-------------------------------------|-------------------|--------------|-------------------|-------------------|--------------|-------|-------|-------|-------------|-------|-------|-------|-------------|-------|-------|-------|--------------|-------|-------|-------|
| Item of Form (identify) | Answer | | | | | | | | | | | | | | | | | | | | | |
| ADV Part II Items A(1) | <p>1. A(1) About Lara, Shull & May advisory services:</p> <p>Lara, Shull & May, LLC (LSM) is an independent broker/dealer and investment advisor firm. LSM provides wealth management and investment advisory services regarding mutual fund shares, exchange listed securities, securities traded over-the-counter, commercial paper, corporate debt securities, certificates of deposit, municipal securities, variable life insurance, variable annuities, option contracts, interests in real estate partnerships, and U.S. government securities. The principals of LSM are: E. Ronald Lara, CFP, and Frank T. Shull, IV.</p> <p>The LSM partners are founders of The Lifetime Success Solution® (LSS) and The Retirement Success Solution® (RSS) -two 12-step processes to help individuals and couples achieve their retirement goals, develop tax & financial strategies to meet those goals, and help with estate planning. In addition, LSM offers several asset management programs to its clients, which include, but are not limited to: Morningstar® Managed Portfolios™, RBC Correspondent Services' Advisor Account, SEI Asset Management, Charles Schwab Institutional, and private placement opportunities.</p> | | | | | | | | | | | | | | | | | | | | | |
| ADV Part II Items A(7) | <p>LSM offers Personal Financial Management Services and Lifestage Transition Planning</p> <p>Developed and quoted on a per-project basis tailored for each client. Services are billed at an hourly rate ranging from \$120 - \$150/hr, predetermined according to service provided and billed upon completion of task. Fees are considered due upon completion of service. If a client is unsatisfied with arrangements they may terminate the project at any time by giving written notification to the respective representative.</p> | | | | | | | | | | | | | | | | | | | | | |
| ADV Part II Items 1.C | <p>LSM offers investment advisory services for compensation in the following manners.</p> <p>C(1) A percentage of assets under management. LSM is privileged to offer Morningstar Managed Portfolios (TM) This fee covers the research, continuous monitoring, and rebalancing activities of your portfolio strategy by Morningstar Investment Services and the ongoing client relationship services that your advisor provides. The account will be debited on a quarterly basis according to the asset level schedule shown below. The Program's Management Fee schedule is as follows: (Intermediary Fee may be negotiable)</p> <table border="1"> <thead> <tr> <th>Assets</th> <th>Services Fee</th> <th>Intermediary Fee/</th> <th>TOTAL Maximum Fee</th> </tr> </thead> <tbody> <tr> <td>First \$500K</td> <td>0.40%</td> <td>1.10%</td> <td>1.50%</td> </tr> <tr> <td>Next \$500K</td> <td>0.35%</td> <td>1.05%</td> <td>1.40%</td> </tr> <tr> <td>Next \$1 MM</td> <td>0.30%</td> <td>1.00%</td> <td>1.30%</td> </tr> <tr> <td>Over \$2 MM+</td> <td>0.20%</td> <td>0.90%</td> <td>1.10%</td> </tr> </tbody> </table> <p>The portfolio underlying holdings incur their own internal expenses which may include management, transfer agent, shareholding servicing, and 12b-1 fees. Morningstar Investment Services (MIS) receives, either directly or indirectly, a certain portion of those fees paid out by the mutual funds. MIS in turn credits that portion from the Gross MIS Advisory Fee before charging the account. The MIS Fee above is net of that Credit Amount.</p> | | Assets | Services Fee | Intermediary Fee/ | TOTAL Maximum Fee | First \$500K | 0.40% | 1.10% | 1.50% | Next \$500K | 0.35% | 1.05% | 1.40% | Next \$1 MM | 0.30% | 1.00% | 1.30% | Over \$2 MM+ | 0.20% | 0.90% | 1.10% |
| Assets | Services Fee | Intermediary Fee/ | TOTAL Maximum Fee | | | | | | | | | | | | | | | | | | | |
| First \$500K | 0.40% | 1.10% | 1.50% | | | | | | | | | | | | | | | | | | | |
| Next \$500K | 0.35% | 1.05% | 1.40% | | | | | | | | | | | | | | | | | | | |
| Next \$1 MM | 0.30% | 1.00% | 1.30% | | | | | | | | | | | | | | | | | | | |
| Over \$2 MM+ | 0.20% | 0.90% | 1.10% | | | | | | | | | | | | | | | | | | | |

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

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

| | | |
|------------------------|------------------|------------|
| Applicant: | SEC File Number: | Date: |
| Lara, Shull & May, LLC | 801- 68535 | 03/25/2009 |

(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: Lara, Shull & May, LLC | | IRS Empl. Ident. No.: 26-1142393 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|-------------------------------------|---------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|-----------------|-------------|----------------|-------------|----------|------------|--------------------------|-------|----------------------------|-------|----------------------------|-------|----------------------------|-------------------|--------------------------|-------|----------------------------|-------|----------------------------|------|----------------------------|-------------------|
| Item of Form (identify) | Answer | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ADV Part II Items 1.C (1) | <p>LSM also offers RBC's ADVISOR ACCOUNT Program</p> <p>The program fees are negotiable between the representative and Client. The annual compensation for the services provided to Client under this Program shall be based on the value of the assets in the Account and calculated and payable quarterly at the times and based on the value of the assets in the Account (determined by RBC in accordance with industry valuation standards) as of the last business day of the preceding calendar quarter. If this Program Agreement is terminated prior to the last day of a quarter, a prorated portion, based upon the days remaining in such quarter, of the quarterly fee paid in advance will be refunded to Client provided that the minimum annual fee requirement has been satisfied.</p> <p>PROGRAM FEE provides for: an initial analysis of the client's investment objectives and needs, with periodic re-evaluations, provided by the representative; consulting services as to an appropriate investment strategy and as to specific securities to implement the strategy, provided by the representative; and execution services and other account related services. A detailed explanation of what the Program fee provides for and what it does not cover is listed in the Advisor Account Program Agreement. Program's Basic Fee Schedule range is based on the account holding (Example: Fixed Income, Mutual Funds, Billable Value Equities ETFs, UITs, Cash) and the total account assets.</p> <table border="0"> <tr> <td>\$25 - \$250k</td> <td>2.75 - .60%</td> <td>\$2.1 - \$3mi.</td> <td>1.75 - .40%</td> </tr> <tr> <td>\$251 - \$500k</td> <td>2.50 - .50%</td> <td>\$3.1 - \$5mil</td> <td>1.50 - .30%</td> </tr> <tr> <td>\$501 - \$1mil</td> <td>2.25 - .50%</td> <td>\$5.1 - \$10mil</td> <td>1.25 - .20%</td> </tr> <tr> <td>\$1.1 - \$2mil</td> <td>2.00 - .45%</td> <td>\$10mil+</td> <td>negotiable</td> </tr> </table> <p>LSM also offers Fidelity's Program. Fee schedule is as follows:</p> <table border="0"> <tr> <td>\$250,000 to \$1,000,000</td> <td>1.35%</td> </tr> <tr> <td>\$1,000,000 to \$1,500,000</td> <td>1.15%</td> </tr> <tr> <td>\$1,500,000 to \$2,000,000</td> <td>1.00%</td> </tr> <tr> <td>\$2,000,000 to \$3,000,000</td> <td>.85% (negotiable)</td> </tr> </table> <p>LSM also offers an Advisor Program thru Charles Schwab. Fee schedule is as follows:</p> <table border="0"> <tr> <td>\$250,000 to \$1,000,000</td> <td>1.25%</td> </tr> <tr> <td>\$1,000,000 to \$1,500,000</td> <td>1.00%</td> </tr> <tr> <td>\$1,500,000 to \$2,000,000</td> <td>.85%</td> </tr> <tr> <td>\$2,000,000 to \$3,000,000</td> <td>.65% (negotiable)</td> </tr> </table> <p>Upon written notification, either LSM or the investor may terminate the agreement. Prorated fees will be charged based on market value on the date notice is received. The client will receive monthly statements from the respective asset management company indicating holdings. A quarterly report, indicating market value, cash flows, gains and losses, asset allocation, and performance as it relates to market indices, is also available if the investor elects to receive it. Annually, the client will receive a tax report for the account.</p> | | \$25 - \$250k | 2.75 - .60% | \$2.1 - \$3mi. | 1.75 - .40% | \$251 - \$500k | 2.50 - .50% | \$3.1 - \$5mil | 1.50 - .30% | \$501 - \$1mil | 2.25 - .50% | \$5.1 - \$10mil | 1.25 - .20% | \$1.1 - \$2mil | 2.00 - .45% | \$10mil+ | negotiable | \$250,000 to \$1,000,000 | 1.35% | \$1,000,000 to \$1,500,000 | 1.15% | \$1,500,000 to \$2,000,000 | 1.00% | \$2,000,000 to \$3,000,000 | .85% (negotiable) | \$250,000 to \$1,000,000 | 1.25% | \$1,000,000 to \$1,500,000 | 1.00% | \$1,500,000 to \$2,000,000 | .85% | \$2,000,000 to \$3,000,000 | .65% (negotiable) |
| \$25 - \$250k | 2.75 - .60% | \$2.1 - \$3mi. | 1.75 - .40% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$251 - \$500k | 2.50 - .50% | \$3.1 - \$5mil | 1.50 - .30% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$501 - \$1mil | 2.25 - .50% | \$5.1 - \$10mil | 1.25 - .20% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$1.1 - \$2mil | 2.00 - .45% | \$10mil+ | negotiable | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$250,000 to \$1,000,000 | 1.35% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$1,000,000 to \$1,500,000 | 1.15% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$1,500,000 to \$2,000,000 | 1.00% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$2,000,000 to \$3,000,000 | .85% (negotiable) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$250,000 to \$1,000,000 | 1.25% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$1,000,000 to \$1,500,000 | 1.00% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$1,500,000 to \$2,000,000 | .85% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| \$2,000,000 to \$3,000,000 | .65% (negotiable) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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: Lara, Shull & May, LLC | SEC File Number: 801- 68535 | Date: 03/25/2009 |
|--------------------------------------|--------------------------------|---------------------|

(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: Lara, Shull & May, LLC | | IRS Empl. Ident. No.: 26-1142393 |
|---|---|-------------------------------------|
| Item of Form (identify) | Answer | |
| ADV Part II Items 1.C (3) | C (3) Fixed Fees: \$2,500 to \$100,000 for The Lifetime Success Solution® or The Retirement Success Solution® Programs payable at the beginning of the program. If the client(s) is (are) not satisfied with the advice and service provided, a full refund of all consulting fees paid may be obtained upon the client's written request to LSM within 30 days of the service provided. In addition, a \$500 - \$300 may be charged for the delivery of the Estate Plan Flow Chart. | |
| ADV Part II Items 1.C (5) | C(5) Commissions. For those clients not utilizing a fee-based program, compensation for advisory and planning services may be applied in the way of mutual fund commissions as per the respective fund prospectus. Depending on the class of mutual fund share, commissions are payable either at the initial sale of the mutual fund (A shares), or monthly (C shares). In addition to the sales charge/commission paid to the representative, mutual funds typically have expenses and/or 12-b1 fees that the investor is charged for by the fund. These funds are detailed in the prospectus of each fund. Custodians, mutual funds and other financial institutions utilized in the management of client accounts may charge their own fees in addition to the fees charged by LSM. | |
| ADV Part II Items 3 (L) | Other: Private Placements to qualified investors. | |
| ADV Part II Items 6 | <p>6. Educational and Business Background of Investment Principals</p> <p>E. Ronald Lara, CFP(TM) President /Chief Compliance Office DOB 1943. A 1968 graduate from the University of Maryland with a Bachelor of Science in Civil Engineering, Mr. Lara was the Assistant District Engineer for Humble Oil and Refining Company from June 1968 to April 1969. He then served in the United States Army through April 1971. Following his military service, Mr. Lara entered the financial services field with a local Washington, DC firm. In 1977, he became one of the first designated Certified Financial Planners in the Washington, DC area. In 1981, Mr. Lara founded, Lara, Shull & May, Ltd. Over the past 30 years he has built a solid reputation within the financial planning industry for offering comprehensive financial planning. As an extremely valuable service Mr. Lara provides his clients with exemplary tax strategies to compliment investment activities. His client base extends multi-generations and throughout the United States. Mr. Lara is chief compliance officer, options supervisor and senior financial planner at Lara, Shull & May, LLC.</p> <p>Frank T. Shull, IV Vice President/ Sr. Wealth Manager DOB 1967. Mr. Shull is a graduate from the University of Maryland with a B.A in Arts and Humanities. Mr. Shull is professionally recognized in the industry by having achieved the level of President's Club in his first year as a financial planner, is a member of the Fidelity Advisor Council for the fifth straight year and was awarded the Dalbar Seal for Financial Professionals in 1998. Mr. Shull became partner and Vice President of Lara, Shull & May in July 1999 when he was selected by the firm's principal, E. Ronald Lara, to join and eventually succeed him after his retirement. Mr. Shull works primarily with individuals, business owners and non-profit/associations as a consultant helping them to manage their assets by overseeing a comprehensive money management approach.</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: | SEC File Number: | Date: |
| Lara, Shull & May, LLC | 801- 68535 | 03/25/2009 |

(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: Lara, Shull & May, LLC | | IRS Empl. Ident. No.: 26-1142393 |
|---|--|-------------------------------------|
| Item of Form (identify) | Answer | |
| ADV Part II Items 6 (continued) | <p>Jack R. "Jack" May, CFP Vice President DOB 1953. A graduate of Duke University with a Bachelor of Science degree, Mr. May entered the financial planning business in 1979. He received his Certified Financial Planner (CFP) designation in 1982. Mr. May taught the CFP course at George Washington University for 10 years and has been on the adjunct faculty of both G.W. University and the College for Financial Planning. He previously served as chairman of the Northern Virginia Society of the Institute of Certified Financial Planners (NVICFP) and of the Greater Merrifield Business Association. He is currently a principal with Lara, Shull & May, LLC.</p> | |
| ADV Part II Items 7 | <p>7. Other Business Activities Lara, Shull & May is actively engaged in the business as a broker/dealer and insurance agency.</p> | |
| ADV Part II Items 8 | <p>8. Affiliations 8.(C) The Registrant is owned by Focus Operating, LLC. Focus Operating is owned by Focus Financial Partners, LLC ("Focus"), which also owns other registered investment advisers, broker-dealers, pension consultants, insurance firms, and other financial services firms (the "Focus Partners"). The Focus Partners all provide wealth management, benefit and investment consulting services, serving primarily individuals, families, employers, and institutions. The Firms management does not feel that this relationship poses a material conflict to clients. The Focus Partners do not share client information amongst each other without prior consent and management of the other Focus Partners is not involved in the services provided by the Firm. A list of the affiliated investment advisers can be found on the Firms Form ADV Part 1 and a list of all Focus affiliates will be provided upon request or can be found at www.focusfinancialpartners.com.</p> <p>E. Ronald Lara is also 100% owner of E. Ronald Lara, Inc., an insurance agency that sells life insurance as part of an overall estate planning process. Approximately 5% of E. Ronald Lara's time is devoted to insurance sales. Mr. Lara is also 50% owner of The Lara Group, a Registered Investment Advisor, specializing in the management of U.S. Treasury Securities. Patrice C. Lara owns 50% of The Lara Group. E. Ronald Lara spends approximately 5% of his time devoted to The Lara Group. Frank T Shull, IV is 100% owner of Maryland Financial Advisors, a personal holding company.</p> | |
| ADV Part II Items 9.B | <p>9.B Participation or Interest in Client Transactions. LSM is a full service broker-dealer and executes retail buy and sell orders for individual securities and mutual funds and may receive commissions on these trades. All trades are monitored for suitability, as pertaining to the client's goals and risk tolerances. A registered principal of the firm reviews all trades. Investments into any fee-based asset allocation programs are also reviewed before submission and an investment policy statement is prepared for the client that clearly establishes the goals, objectives and responsibilities of each party. All fee-based clients pay no commission to an LSM advisor, only broker/dealer clearing costs if transactions are made through Lara, Shull & May, LLC..</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**

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|--------------------------------------|--------------------------------|---------------------|
| Applicant: Lara, Shull & May, LLC | SEC File Number: 801- 68535 | Date: 03/25/2009 |
|--------------------------------------|--------------------------------|---------------------|

(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: Lara, Shull & May, LLC | | IRS Empl. Ident. No.: 26-1142393 |
|---|--|-------------------------------------|
| Item of Form (identify) | Answer | |
| ADV Part II Items 9 E | <p>9.E. Related persons of LSM, such as registered investment advisors of the firm, may buy or sell for themselves securities or investment management programs that they also recommend to clients. 9.E. Related persons of LSM, such as registered investment advisors of the firm, may buy or sell for themselves securities or investment management programs that they also recommend to clients. For example, many advisors have personal accounts in Morningstar Managed Portfolios and SEI. If similar securities are bought for the clients at different prices, the lowest cost securities will always go to client. LSM does not have an account and therefore would not buy or sell securities for its own account. Please consult with your advisor regarding any conflict of interest or concern you may have specific to a security or investment product. For example, many advisors have personal accounts in Morningstar Managed Portfolios. Please consult with your advisor regarding any conflict of interest or concern you may have specific to a security or investment product.</p> <p>Code of Ethics In accordance with established FINRA Rules there is an implicit responsibility on the part of all registered persons to deal fairly in every relationship with customers and others. All sales efforts must therefore be undertaken only on a basis that can be judged as being within the ethical standards of FINRA Rules, with particular emphasis on the requirement to deal fairly with the public. All personnel employed by Lara, Shull & May, whether staff or independent contractors (registered representatives), shall abide by standards of fair and ethical conduct in all dealings with the public and others. LSM's Code of Ethics cover the following topics: A. Know Your Customer, B. Prohibited Activities, C. Written and Electronic Communications, D. Business Practices , E. Industry Standards. In addition, we have implemented an internal Customer Information Protection plan. The firm expects and demands from all personnel the absolute highest level of ethical behavior and adherence to the highest principles of fair business practice in all dealings with the public and others. Their compliance with the principals and procedures will ensure our customer's trust and confidence in the firm, employees and representatives. A copy of our Code of Ethics is provided to any client upon their request.</p> | |
| ADV Part II Item 10 | <p>10. Conditions for Managing Accounts. In addition to the opening account minimums set by 3rd party investment management programs, investment advisors associated with LSM set their own account minimums. Please consult each LSM advisor regarding account minimums.</p> | |
| ADV Part II Item 12B | <p>12B. Suggestion of Broker/Dealer In addition to being a registered investment advisory firm, Lara, Shull & May (LSMB/D) is a full-service, independent broker/dealer. As an advisory client of LSM, clients are able to executed trades through (LSMB/D) and avoid extra broker/dealer charges or commissions. For Advisor clients, no additional compensation is applied for trades via (LSMB/D). Only charges by the clearing firm, RBC, are transferred to the client. Any potential conflict of interest arising from this arrangement is explicitly disclosed at or before the beginning of the advisory relationship between LSM and its client.</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

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|---------------------------------------|--------------------------------|---------------------|
| Applicant: Lara, Shull & May, LLC. | SEC File Number: 801- 68535 | Date: 03/25/2009 |
|---------------------------------------|--------------------------------|---------------------|

(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: Lara, Shull & May, LLC | | IRS Empl. Ident. No.: 26-1142393 |
|---|--|-------------------------------------|
| Item of Form (identify) | Answer | |
| ADV Part II Item 12B | <p>LSM recommends using the broker/dealer firm of LSMB/D to effect investment strategies. Lara, Shull & May, LLC is a FINRA Member, CRD 145589 and SIPC Member firm. Because of the close relationship with LSMB/D, LSM is able to eliminate third party broker fees for advisory clients. LSM's clients need only pay the clearing cost per trade to LSMB/D's clearing firm, RBC Dain Correspondent Services. If LSM were to use another broker/dealer, the LSM advisor would have to rely on that broker/dealer and trader to obtain the best possible pricing and trading execution. If transactions are directed by a client to be executed through a specific broker/dealer, and it is found that those commissions are excessive, LSM will inform the client as to the nature of the commission and whether the services of the broker/dealer should be maintained. Note: The asset management fees associated with providing investment management services are separate from trade clearing costs or execution costs by a third party broker/dealer.</p> <p>Best Execution As part of LSM's fiduciary responsibility, LSM conducts as needed "best execution" reviews of current and prospective custodial and broker-dealer relationships to ensure LSM clients receive best execution on all trades, including competitive commission rates, and securities transaction fees. Among several factors we consider are custodians and broker-dealer costs, skills, reputation, dependability, industry compliance practices, and compatibility with the client and not upon an arrangement between LSM and the recommended custodian or broker-dealer. Based on the results of this continued best execution analysis, LSM may recommend clients establish a brokerage account with certain custodians in order to execute recommendations.</p> | |
| ADV Part II Item 13 | <p>13. Additional Compensation and Client Referrals LSM receives some economic benefit from a non-client in connection with giving advice to clients in the form of receiving client account statements and reports, from LSMB/D and from the asset management companies mentioned herein under "Section I. Advisory Services." On occasion LSM received economic assistance from asset management companies in the form of reimbursement for postage, seminar charges or printed materials.</p> <p>LSM has a solicitation agreement with Millennium Bank of Edwards, Colorado, which provides that all investment advisory fees earned from referrals from the Bank are shared 50%-50%. LSM also has a solicitation agreement with Gordon, Hughes & Banks (GHB), an accounting firm located in Colorado. Investment advisory fees earned by LSM from referrals from GHB are shared with GHB on a 25% - 35% scale. LSM has arrangements to directly compensate third parties who act on behalf of LSM and have secured an Investment Management Agreement for investors in AIG's Pension Protection Program. The compensation consists of a pre-negotiated percentage of the respective asset management fee paid by clients to LSM. The current client referral arrangement is with RIM Unlimited, Inc. The client will not be charged a higher asset management fee or additional fees due to the establishment of this arrangement.</p> | |

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

**Schedule G of
Form ADV
Balance Sheet**

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|--------------------------------------|--------------------------------|---------------------|
| Applicant: Lara, Shull & May, LLC | SEC File Number: 801- 68535 | Date: 03/25/2009 |
|--------------------------------------|--------------------------------|---------------------|

(Answers in Response to Form ADV Part II Item 14.)

| | |
|---|-------------------------------------|
| 1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Lara, Shull & May, LLC | IRS Empl. Ident. No.: 26-1142393 |
| Instructions | |
| 1. The balance sheet must be: A. Prepared in accordance with generally accepted accounting principles B. Audited by an independent public accountant C. Accompanied by a note stating the principles used to prepare it, the basis of included securities, and any other explanations required for clarity. | |
| 2. Securities included at cost should show their market or fair value parenthetically. | |
| 3. Qualifications and any accompanying independent accountant's report must conform to Article 2 of Regulation S-X (17 CFR 210.2-01 et. seq.). | |
| 4. Sole proprietor investment advisers: A. Must show investment advisory business assets and liabilities separate from other business and personal assets and liabilities B. May aggregate other business and personal asset and liabilities unless there is an asset deficiency in the total financial position. | |

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

Applicant:

SEC File Number:
801-

Date:

(for sponsors of wrap fee programs)

Name of wrap fee program or programs described in attached brochure:

1. **Applicability of Schedule.** This Schedule must be completed by applicants that are compensated under a wrap fee program for sponsoring, organizing, or administering the program, or for selecting, or providing advice to clients regarding the selection of, other investment advisers in the program ("sponsors"). A wrap fee program is any program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and execution of client transactions.
2. **Use of Schedule.** This Schedule sets forth the information the sponsor must include in the wrap fee brochure it is required to deliver or offer to deliver to clients and prospective clients of its wrap fee programs under Rule 204-3 under the federal Advisers Act and similar rules of jurisdictions. The wrap fee brochure prepared in response to this Schedule must be filed with the Commission and the jurisdictions as part of Form ADV by completing the identifying information on this Schedule and attaching the brochure. Brochures should be prepared separately, not on copies of this Schedule. Any wrap fee brochure filed with the Commission as part of an amendment to Form ADV shall contain in the upper right corner of the cover page the sponsors' registration number (801-).
3. **General Contents of Brochure.** Unlike Parts I and II of this form, this Schedule is not organized in "check-the-box" format. These instructions, including the requests for information in Item 7 below, should not be repeated in the brochure. Rather, this Schedule describes minimum disclosures that must be made in the brochure to satisfy the sponsor's duty to disclose all material facts about the sponsor and its wrap fee programs. **Nothing in this Schedule relieves the sponsor from any obligation under any provision of the federal Advisers Act or rules thereunder, or other federal or state law to disclose information to its advisory clients or prospective advisory clients not specifically required by this Schedule.**
4. **Multiple Sponsors.** If two or more persons fall within the definition of "sponsor" in Item I above for a single wrap fee program, only one such sponsor need complete the Schedule. The sponsors may choose among themselves the sponsor that will complete the Schedule.
5. **Omission of Inapplicable Information.** Any information not specifically required by this Schedule that is included in the brochure should be applicable to clients and prospective clients of the sponsor's wrap fee programs. If the sponsor is required to complete this Schedule with respect to more than one wrap fee program, the sponsor may omit from the brochure furnished to clients and prospective clients of any wrap fee program or programs information required by this Schedule that is not applicable to clients or prospective clients of that wrap fee program or programs. If a sponsor of more than one wrap fee program prepares separate wrap fee brochures for clients of different programs, each brochure must be filed with the Commission and the jurisdictions attached to a separate copy of this Schedule. Each such brochure must state that the sponsor sponsors other wrap fee programs and state how brochures for those programs may be obtained.
6. **Updating.** Sponsors are required to file an amendment to the brochure promptly after any information in the brochure becomes materially inaccurate. Amendments may be made by use of a "sticker", i.e., a supplement affixed to the brochure that indicates what information is being added or updated and states the new or revised information, as long as the resulting brochure is readable. Stickers should be dated and should be incorporated into the text of the brochure when the brochure itself is revised.
7. **Contents of Brochure.** Include in the brochure prepared in response to this Schedule:
 - (a) on the cover page, the sponsor's name, address, telephone number, and the following legend in bold type or some other prominent fashion:
This brochure provides clients with information about [name of sponsor] and the [name of program or programs] that should be considered before becoming a client of the [name of program or programs]. This information has not been approved or verified by any governmental authority.
 - (b) a table of contents reflecting the subject headings in the sponsor's brochure.
 - (c) the amount of the wrap fee charged for each program or, if fees vary according to a schedule established by the sponsor, a table setting forth the fee schedule, whether such fees are negotiable, the portion of the total fee (or the range of such amounts) paid to persons providing advice to clients regarding the purchase or sale of specific securities under the program ("portfolio managers"), and the services provided under each program (including the types of portfolio management services);

**Schedule H of
Form ADV
Page 2**

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|------------|--------------------------|-------|
| Applicant: | SEC File Number: 801- | Date: |
|------------|--------------------------|-------|

- (d) a statement that the program may cost the client more or less than purchasing such services separately and a statement of the factors that bear upon the relative cost of the program (*e.g.*, the cost of the services if provided separately and the trading activity in the client's account);
- (e) if applicable, a statement that the person recommending the program to the client receives compensation as a result of the client's participation in the program, that the amount of this compensation may be more than what the person would receive if the client participated in other programs of the sponsor or paid separately for investment advice, brokerage, and other services, and that the person may therefore have a financial incentive to recommend the wrap fee program over other programs or services;
- (f) a description of the nature of any fees that the client may pay in addition to the wrap fee and the circumstances under which these fees may be paid (including, if applicable, mutual fund expenses and mark-ups, mark-downs, or spreads paid to market makers from whom securities were obtained by the wrap fee broker);
- (g) how the program's portfolio managers are selected and reviewed, the basis upon which portfolio managers are recommended or chosen for particular clients, and the circumstances under which the sponsor will replace or recommend the replacement of the portfolio manager;
- (h) (1) if applicable, a statement to the effect that portfolio manager performance information is not reviewed by the sponsor or a third party and/or that performance information is not calculated on a uniform and consistent basis,

(2) if performance information is reviewed to determine its accuracy, the name of the party who reviews the information and a brief description of the nature of the review,

(3) a reference to any standards (*i.e.*, industry standards or standards used solely by the sponsor) under which performance information may be calculated;
- (i) a description of the information about the client that is communicated by the sponsor to the client's portfolio manager, and how often or under what circumstances the sponsor provides updated information about the client to the portfolio manager;
- (j) any restrictions on the ability of clients to contact and consult with portfolio managers;
- (k) in narrative text, the information required by Items 7 and 8 of Part II of this form and, as applicable to clients of the wrap fee program, the information required by Items 2, 5, 6, 9A and C, 10, 11, 13 and 14 of Part II;
- (l) if any practice or relationship disclosed in response to Item 7, 8, 9A, 9C and 13 of Part II presents a conflict between the interests of the sponsor and those of its clients, explain the nature of any such conflict of interest; and
- (m) if the sponsor or its divisions or employees covered under the same investment adviser registration as the sponsor act as portfolio managers for a wrap fee program described in the brochure, a brief, general description of the investments and investment strategies utilized by those portfolio managers.

8. Organization and Cross References. Except for the cover page requirements in Item 7(a) above, information contained in the brochure need not follow the order of the items listed in Item 7. However, the brochure should not be organized in such a manner that important information called by the form is obscured.

Set forth below the page(s) of the brochure on which the various disclosures required by Item 7 are provided.

| | <i>Page(s)</i> | | <i>Page(s)</i> | | <i>Page(s)</i> | |
|------|----------------|-------|----------------|-------|----------------|-------|
| Item | 7(a) | cover | Item | 7(f) | Item | 7(j) |
| | #7(b) | | | #7(g) | | #7(k) |
| | #7(c) | | | #7(h) | | #7(l) |
| | #7(d) | | | #7(i) | | #7(m) |
| | #7(e) | | | | | |