

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: <b>Hardesty Capital Management</b>	SEC File Number: 801- 50228	Date: <b>March 31, 2009</b>
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(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: <b>Hardesty Capital Management LLC</b>		IRS Empl. Ident. No.: <b>20-0409880</b>
Item of Form (identify)	Answer	
Part II Page 2 Item 1-A-(2)	<p>The basic fee schedule is as follows: 0.90% on the first \$2,000,000 0.60% on the next \$3,000,000 0.50% on the balance of the account</p> <p>All fees are charged quarterly in advance. There is a \$500,000 account minimum. Related accounts will be combined for fee purposes. Fees on accounts in excess of \$10,000,000 are negotiable. A minimum fee of \$4,500 will be assessed. Lower fees may apply subject to negotiation at the sole discretion of Hardesty Capital Management (HCM). HCM will send a bill to the client indicating the amount of the fee, the value of the assets upon which the fee was based, and the manner in which the fee was calculated.</p> <p>Additional expenses may be incurred if third-party managed products are held in a portfolio. For example, exchange traded funds, mutual funds and closed-ended funds have various management and administrative fees related to them. The fees charged by HCM are in addition to all fees charged at the product level.</p> <p>An advisory relationship may be terminated upon written notice to the applicant and shall be effective as of the close of business on the first business day following the receipt of such notice. In the event of termination, fees paid in advance will be refunded, pro rata, to the client based on the number of days remaining in the quarter.</p> <p>It is the client's responsibility to verify the accuracy of the fee calculation. The custodian will not determine whether the fee is properly calculated.</p>	
Part II Page 2 Item 1-C-(2)	An hourly fee schedule is available to those persons seeking investment advice on a non-continuous basis. The schedule is as follows: Support staff \$75 per hour, Investment Professional, \$175-\$200 per hour.	
Part II Page 2 Item 1-C-(3)	A flat fee is available to those clients where appropriate and at the sole discretion of HCM.	
Part II Page 3 Item 4-C-(6)	Option writing is a sub-investment strategy that may be employed when account circumstances warrant.	
Part II Page 4 Item 5	Education and business standards require a college education.	
Part II Page 4 Item 6	James Dunn Hardesty, Born 1946 Georgetown University, BS/BA 1968 Columbia University, MBA 1970 President, Chief Executive Officer 1995 - Present	

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

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(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: <b>Hardesty Capital Management LLC</b>	IRS Empl. Ident. No.: <b>20-0409880</b>
Item of Form (identify)	Answer
	<p>Virgil Randolph McMenamin, Jr., Born 1944 Wake Forest University, BBA, 1966 Managing Director, Portfolio Manager 1995 – Present</p> <p>John Scott Murphy, Born 1968 Towson State University, BA 1990 University Of Baltimore, MBA 1996 Vice President, Chief Financial Officer, Portfolio Manager 1997 - Present</p> <p>David A. Stepherson, Born 1967 University of Texas at Austin, BA 1989 Chartered Financial Analyst, 1997 Vice President, Chief Operating Officer, Portfolio Manager 1999 - Present</p> <p>Eric P. Schopf, Born 1963 University of Maryland, BS 1990 York College of Pennsylvania, MBA 1998 Vice President, Chief Compliance Officer, Portfolio Manager 2001 - Present</p> <p>Scott Brandon Schluederberg, Born 1963 University of Maryland, BA 1986 University of Maryland, MBA 1995 Portfolio Manager 2006 - Present BB&amp;T Asset Management, Portfolio Manager 1997-2006</p>
Part II Page 5 Item 9-E	When a transaction (purchase or sale) is initiated and completed during the same day, all clients and employees of the firm who have investment accounts participate on an equal basis. If a transaction is only partially completed with a particular broker, the transaction is pro-rated among client accounts only— employee accounts are excluded. Employees are restricted from buying or selling a security within five business days before the same security is bought or sold in client accounts.
Part II Page 5 Item 10	There is an account minimum of \$500,000 with an annual minimum fee of \$4,500, The minimum account size and fee schedule are negotiable.
Part II Page 6 Item 12-A-(1-2)	There are no limitations placed on the authority of the manager except those included in the written objective and policy statement created for each client. For example, some clients have placed a prohibition on tobacco companies or stocks that do not pay dividends.
Part II Page 6 Item 12-A&B-(3-4)	All things being equal, the client's custodian is engaged to execute orders. When possible, orders for accounts held at the same custodian are blocked, which may lead to a lower negotiated commission due to the larger order size. A broker other than the client's custodian may be engaged if better order execution may be achieved. Third-party brokers may also be utilized to gain access to investment research and other brokerage services that would benefit our entire client base. HCM has entered into a client commission

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Hardesty Capital Management LLC</b>	IRS Empl. Ident. No.: <b>20-0409880</b>
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	<p>agreement with FactSet Research Systems through BNY Brokerage Inc. The contract entails executing trades through BNY in exchange for BNY paying the partial costs associated with FactSet products and services. FactSet provides economic and securities data and benefits all clients. The commission rates negotiated with BNY is no greater than the commission rates negotiated with all custodians. Therefore, the client commission contract leads to no additional expense for HCM clients.</p> <p>Fidelity Brokerage Services has reimbursed HCM for the one-time expense associated with establishing an electronic link between the HCM and Fidelity computer trading platforms.</p> <p>The applicant has negotiated a single consistent commission rate (\$0.05/per share) with all brokers used by HCM for listed shares, except in instances where a client's choice of custodian mandates a slightly higher commission rate. In the case of unlisted shares, where possible, we execute trades through a NASDAQ market maker. HCM reviews commission rates periodically to ensure they are reasonable.</p> <p>HCM has an obligation to use its best efforts to obtain the best available price and most favorable execution with respect to all portfolio transactions executed on behalf of clients. Best execution efforts provide assurance to clients that HCM will act in their best interest when dealing for them in the securities markets. Best execution results are monitored during quarterly compliance meetings.</p> <p>Direct and indirect costs are considered to obtain the highest quality trade execution. In addition to commission schedules, brokers are continuously evaluated on their brokerage services. The brokerage services may include: execution capability; responsiveness to advisor; value of investment research; block trading capability; communication skills; use of automation; and administrative ability. Contracts with custodians are also reviewed to determine trade-away capability and the impact on future brokerage charges. Price execution is monitored on an order-by-order basis by the portfolio manager placing the trade.</p> <p>Client-directed brokerage arrangements are not subject to best execution guidelines. In the event that a client expressly directs HCM to execute all or a portion of security transactions through a particular broker/dealer with which HCM does not have a relationship, the client shall be responsible for negotiating all terms. Correspondingly, HCM will not be able to seek better execution services or prices from other broker/dealers nor will HCM be able to "block" the client transactions for execution with orders from other accounts managed by HCM. Consequently, higher commissions or other transaction costs may result in less favorable net prices.</p> <p>George French and John Warmath, both members of the HCM marketing department, may receive a commission if they are responsible for the attainment of a new account. The commission is 25% of the management fee and is paid during the first two years of the account relationship. The commission payment comes out of the management fee charged by HCM and does not increase the management fee paid by the client.</p> <p>Scott Schluederberg may receive a commission if he is responsible for the attainment of a new account. The commission is 25% of the management fee and is paid during the first two years of the account relationship. The commission payment comes out of the management fee charged by Hardesty Capital Management and does not increase the management fee paid by the client.</p>

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