

Oxford Asset Management, LLC
ADV and/or Equivalent Disclosure/Brochure

The firm was organized in 1996 out of a desire to provide our investment clients superior and comprehensive financial planning, scientific portfolio construction, intelligent asset allocation, prudent investment advice, more investment choices, and the ability to cultivate unbiased, objective, long-term relationships utilizing both transaction-based and fee-based arrangements which allows for flexibility in meeting client needs. Our clients have found this to be a refreshing and rewarding alternative to the relationships that they previously shared with their traditional brokers. We have also enjoyed the privilege of helping our clients achieve their goals of wealth preservation.

Oxford's advisors provide investment supervisory services, manage investment advisory accounts, provide investment advice, and comprehensive financial, estate, insurance, retirement, and business planning¹ to individuals, retirement plans, trusts, estates, and business entities². Our services are usually provided for an asset based fee or a fee for service basis. The asset based fee schedule is set forth in our Investment Advisory Agreement. The minimum account size is \$100,000, however exceptions can be made under certain circumstances. Fees are charged quarterly based on the value of the portfolio at the end of the three-month period or weighted average; whichever is higher, at the discretion of the advisor.

Oxford Asset Management's services incorporate the development of a comprehensive financial plan, and asset allocation models outlining the client's quantified needs and goals with specific client decisions relating to investment portfolio design and allocation of assets among appropriate asset classes. The firm will provide portfolio management advice to those requiring less comprehensive supervisory services and/or for those clients with smaller initial portfolios.

Individual asset recommendations from the advisor will be based on the suitability of that asset to meet the needs of the client. Since a large universe of investment choices is available to the advisor the recommendation will be based on fundamental analysis of the asset itself, analysis of the sector or industry, and the ability or potential of the selection to meet the investor's needs as stated in the investment policy. The investor's portfolio can then be comprised of the best investments available, scientifically diversified to meet a specific objective, and acquired at a lower cost.

Occasionally, Oxford will furnish

investment advice through consultations not involving the actual supervision or management of an investment account. This may include consulting engagements such as providing financial plans, advice on individual investments, economic factors, business subjects, insurance, estate planning, and retirement matters. Fees are based on an hourly rate of \$150-200 per hour, plus expenses.

Either party, in writing, may terminate the advisory agreement at any time with thirty-day advance notice required. Retirement plan contracts have five-year duration and are automatically renewable unless written notification is given.

INVESTMENT PHILOSOPHY: Our investment strategy consists of four cornerstones that work together to create a solid investment foundation.

- Modern Portfolio Theory and Asset Allocation modeling.
- Superior Asset Selection and Fundamental Analysis.
- Buy and Hold Discipline and Infrequent Trading.
- Stated Investment Policy and Objective.

These are set forth in more detail in our Financial Plans.

CONTINUING EDUCATION: Our Investment Advisors are required to obtain thirty hours each year of continuing education in financial planning, asset allocation, estate and retirement planning, insurance, advisory practices and ethics, investment analysis, and macroeconomics.

BACKGROUND: Oxford Asset Management, LLC. was organized, and is registered in the state of Texas, as an LLC (Limited Liability Company) on March 3, 1996, and subsequently registered with the Hidalgo County Clerk on March 7, 1996. The Securities and Exchange Commission granted the firm a license as Registered Investment Advisors on April 4, 1996,. The principal place of business is at 5800 Padre Blvd., Suite 210, South Padre Island, Texas 78597.

James G. Palumbo is the founder and principal of Oxford Asset Management. Mr. Palumbo holds a NASD Series 7 General Securities License, State of Texas Series 63 Uniform Securities License, State of Texas Variable Securities License, and Group 1 and 2 Legal Reserve Licenses for Texas, and is also licensed in Arizona, Georgia, Colorado, New Mexico, California, Oregon, and Louisiana. He

is a member of the National Endowment for Financial Education, the governing body for the Certified Financial Planner designation, and the National Association of Securities Dealers (NASD).

In addition, Mr. Palumbo is the owner/principal of OneSource Financial Services, as well as OneSource Financial Services, Incorporated an independent General Insurance Agency.

Born in Detroit, Michigan, in 1961, Mr. Palumbo graduated from Lakeshore High School in 1979 and Pinecrest Theological Seminary in 1982. After ten years of management experience in New York, he formed and directed Impact Personal Development Co., a New York consulting firm specializing in management training before bringing his experience to the Financial Services industry.

David W. Vela is an Investment Advisory Representative with Oxford Asset Management. Mr. Vela holds a NASD Series 7 General Securities License, State of Texas Series 63 Uniform Securities License, State of Texas Variable Securities License, and Life and Health Insurance License for Texas. In addition, Mr. Vela is a General Securities Representative registered with SWS Financial Service, Inc., and d.b.a. OneSource Financial Services.

Born in Laredo, Texas in 1954, Mr. Vela graduated Valedictorian from United High School, and received a Bachelor's in Business Administration with Honors from the University of Texas at Austin in 1974. Mr. Vela's professional background includes 13 years in commercial banking, and 14 years as a financial consultant with A. G. Edwards prior to his joining Oxford in 2004.

Stephen M. Pease, CFP a CERTIFIED FINANCIAL PLANNER®, Registered Financial Consultant, and Investment Advisor Representative, is the founder of the Durango-based Pease Financial Group. He graduated from Durango High School in 1975 and, in 1980, completed a Bachelor of Science degree in Geophysical Engineering at the Colorado School of Mines in Golden, Colorado. Prior to entering the financial services industry, Steve spent twenty-one years with Mobil Oil and Exxon Mobil as a geophysicist before moving back to his hometown with his family. Steve holds the following licenses in Colorado, New Mexico, and Arizona, Uniform Investment Advisor, and Life and Health Insurance.

Jason A. Habbit is an Investment Advisor Representative with Oxford Asset Management. Jason was born and raised in

Lafayette, Louisiana. He is a graduate of the University of Louisiana at Lafayette with a degree in Finance. He started his career with Bank One in 2002 and in February of 2005 he moved on to be an independent representative. He currently holds licenses as a Loan Originator, Life & Health Insurance, and State of Louisiana Series 66 Uniform Securities License.

David Varisco, Investment Advisor Representatives, and **Jose L. Lopez**, Marketing Consultant is also registered representatives providing securities through SWS Financial Services, Inc.

Brandon Varisco, Ray Blanchard, Scott Sonnier, Tony Jackson, Jose Longoria, and David Smiley are also Investment Advisor Representatives.

Complete registration and background information may be accessed with the NASD at the following link: [NASD Investor Services](http://www.nasd.com/investor_services) . (NASD.com)

We look forward to helping you achieve your financial goals through intelligent portfolio design and implementation.