

**FORM ADV****Part II - Page 1****Uniform Application for Investment Adviser Registration****OMB APPROVAL**

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Name of Investment Adviser: <b>Merit Financial, Inc.</b>				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number:
<b>2400 Lakeview Parkway, Ste 650</b>	<b>Alpharetta</b>	<b>GA</b>	<b>30009</b>	<b>( 678) 867-7050</b>

**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 government authority.**

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(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.**

**FORM ADV****Part II - Page 2**

Applicant:

**Merit Financial, Inc.**

SEC File Number:

**801-67462**

Date:

**2/16/10****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:

- |                                     |     |   |     |
|-------------------------------------|-----|---|-----|
| <input checked="" type="checkbox"/> | (1) | Provides investment supervisory services . . . . .  | 95% |
| <input type="checkbox"/>            | (2) | Manages investment advisory accounts not involving investment supervisory services . . . . .  | %   |
| <input checked="" type="checkbox"/> | (3) | Furnishes investment advice through consultations not included in either service described above . . . . .  | 4%  |
| <input type="checkbox"/>            | (4) | Issues periodicals about securities by subscription . . . . .   | %   |
| <input type="checkbox"/>            | (5) | Issues special reports about securities not included in any service described above . . . . .   | %   |
| <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 . . . . . | %   |
| <input type="checkbox"/>            | (7) | On more than an occasional basis, furnishes advice to clients on matters not involving securities . . . . .   | %   |
| <input type="checkbox"/>            | (8) | Provides a timing service . . . . .   | %   |
| <input checked="" type="checkbox"/> | (9) | Furnishes advice about securities in any manner not described above . . . . .   | 1%  |

(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 the 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):

- |                                     |     |  |                                     |     |                   |
|-------------------------------------|-----|--|-------------------------------------|-----|-------------------|
| <input checked="" type="checkbox"/> | (1) | A percentage of assets under management      | <input type="checkbox"/>            | (4) | Subscription fees |
| <input type="checkbox"/>            | (2) | Hourly charges                               | <input checked="" type="checkbox"/> | (5) | Commissions       |
| <input checked="" type="checkbox"/> | (3) | Fixed fees (not including subscription fees) | <input checked="" 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 type="checkbox"/> | E. | Trusts, estates, or charitable organizations                    |
| <input type="checkbox"/>            | B. | Banks or thrift institutions     | <input 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 |                          |    |   |

**FORM ADV****Part II - Page 3**

Applicant:

**Merit Financial, Inc.**

SEC File Number:

801- **67462**

Date:

**1/31/07****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                                |  |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter                        | <input type="checkbox"/> I. Options contracts on:                          |
| <input checked="" type="checkbox"/> (3) foreign issues  | <input type="checkbox"/> (1) securities                                    |
| <input type="checkbox"/> B. Warrants  | <input type="checkbox"/> (2) commodities                                   |
| <input checked="" type="checkbox"/> C. Corporate debt securities<br>(other than commercial paper) | <input type="checkbox"/> J. Futures contracts on:                          |
| <input type="checkbox"/> D. Commercial paper  | <input type="checkbox"/> (1) tangibles                                     |
| <input checked="" type="checkbox"/> E. Certificates of deposit                                    | <input type="checkbox"/> (2) intangibles                                   |
| <input type="checkbox"/> F. Municipal securities  | <input type="checkbox"/> K. Interests in partnerships investing in:        |
| <input type="checkbox"/> G. Investment company securities   | <input type="checkbox"/> (1) real estate                                   |
| <input checked="" type="checkbox"/> (1) variable life insurance                                   | <input type="checkbox"/> (2) oil and gas interests                         |
| <input checked="" type="checkbox"/> (2) variable annuities  | <input type="checkbox"/> (3) other (explain on Schedule F)                 |
| <input checked="" type="checkbox"/> (3) mutual fund shares  | <input type="checkbox"/> L. Other (explain on Schedule F)                  |

**4. Methods of Analysis, Sources of Information, and Investment Strategies.****A.** Applicant's security analysis methods include: (check those that apply)

- |   |   |
|---|---|
| (1) <input type="checkbox"/> Charting               | (4) <input type="checkbox"/> Cyclical                                 |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input checked="" 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 type="checkbox"/> Annual reports, prospectuses, filings with the<br>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 checked="" 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<br>(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions   |
| (2) <input type="checkbox"/> Short term purchases<br>(securities sold within a year)             | (6) <input type="checkbox"/> Option writing, including covered options,<br>uncovered options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days)                            | (7) <input checked="" type="checkbox"/> Other (explain on Schedule F)  |
| (4) <input type="checkbox"/> Short sales   |  |

**FORM ADV****Part II - Page 4**

Applicant:

Merit Financial, Inc.

SEC File Number:

801-67462

Date:

9/24/07

**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          | • formal education after high school               |
| • year of birth | • 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:
- |  |  |
|--|--|
| <input type="checkbox"/> (1) broker-dealer   | <input type="checkbox"/> (7) accounting firm                                       |
| <input type="checkbox"/> (2) investment company  | <input type="checkbox"/> (8) law firm  |
| <input type="checkbox"/> (3) other investment adviser  | <input type="checkbox"/> (9) insurance company or agency                           |
| <input type="checkbox"/> (4) financial planning firm   | <input type="checkbox"/> (10) pension consultant                                   |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer                         |
| <input type="checkbox"/> (6) banking or thrift institution   | <input type="checkbox"/> (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.)

**FORM ADV****Part II - Page 5**

Applicant:

**Merit Financial, Inc.**

SEC File Number:

801- **67462**

Date:

**1/31/07****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.

**Please refer to Schedule F.**

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

**Please refer to Schedule F.**

Applicant:

Merit Financial, Inc.

SEC File Number:

801-67462

Date:

6/1/09

**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 No

☒ ☐

(2) amount of the securities to be bought or sold ? . . . . .

Yes No

☒ ☐

(3) broker or dealer to be used ? . . . . .

Yes No

☐ ☒

(4) commission rates paid? . . . . .

Yes No

☐ ☒

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 products 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

☐ ☒

**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

Applicant:  
**Merit Financial, Inc.**

SEC File Number:  
**801-67462**

Date:  
**5/6/10**

(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>Merit Financial, Inc.</b>		IRS Empl. Ident. No.: <b>58-2294255</b>
Item of Form (identify)	Answer	
Part II, Page 2, #1D	<p>Merit Financial, Inc. is a registered investment advisor doing business under the name of Merit 401(k) Maximizer, under the name of Allegiance Advantage Group and also under the name of Allegiance Financial Strategies Group (Merit). Merit provides investment advisory services to clients in the form of financial planning services, asset management, referrals to third party money managers and retirement plan consultations. These services are described below. Clients may be able to obtain similar services for a lesser fee from other advisors.</p> <p>Merit's associated persons are also licensed as registered representatives with Securities America, Inc. (SAI), a full service broker/dealer and member FINRA/SIPC. Because of this affiliation, the asset management and third party money manager referral programs offered by Merit are approved and/or sponsored by Securities America Advisors, Inc., (SAA). SAA is an investment advisor registered with the SEC and is an affiliate of SAI. The investment advisor representatives (IARs) may also be independently licensed to sell insurance products through various insurance companies.</p> <p style="text-align: center;"><b>FINANCIAL PLANNING</b></p> <p><u>Financial Plans</u></p> <p>Merit offers written and oral financial plans that can be either comprehensive or segmented. Merit's associated persons will meet with the client to help determine the client's needs and to gather information and documentation needed to prepare the requested plan. Fees for financial plans are charged as a fixed fee that will generally not exceed \$50,000. The fixed fee is negotiable based upon the actual services requested, the complexity of the client's situation and the associated person preparing the plan. The negotiated fee will be disclosed to clients prior to any services being provided.</p> <p>At the discretion of Merit's associated persons, a retainer of up to one-half the quoted fee may be due at the time the client agreement is signed with the remainder due upon delivery of the plan to the client. If no retainer is due at the time the client agreement is signed, the full amount will be due at the time the plan is delivered to the client. Merit will never require payment of more than \$500 in fees, more than six months in advance.</p> <p>Financial planning services automatically terminate upon presentation of the plan to the client. However, the parties may terminate the services earlier upon providing either oral or written notice to the other party, and termination will be effective immediately upon receipt. If oral notice is provided, written confirmation is required within five business days. If services are terminated within five business days of executing the client agreement, services will be terminated without penalty. After the initial five business days, the client will be responsible for the time expended to the date notice of termination was received. Merit will provide a statement detailing the time expended by its associated persons and the prorated amount refunded to or due from the client.</p> <p><u>Commission and Fee Offset</u></p> <p>If clients wish to implement Merit's advice, they may do so through Merit's associated persons in their separate capacities as registered representatives and/or independent insurance agents. When the associated persons implement transactions in these separate capacities, they may earn commissions. If commissions are earned, the associated persons may, at their sole discretion, waive or reduce the amount of the financial planning fee charged by the amount of commissions earned.</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:  
**Merit Financial, Inc.**

SEC File Number:  
**801-67462**

Date:  
**5/6/10**

(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>Merit Financial, Inc.</b>	IRS Empl. Ident. No.: <b>58-2294255</b>
Item of Form (identify)	Answer
Part II, Page 2, #1D (continued)	<p>Any reduction in the financial planning fee will not exceed 100% of the commission received and will be disclosed to clients prior to any services being provided.</p> <p>In addition, clients may wish to implement Merit's advice through one or more of its on-going advisory programs disclosed elsewhere in this Form ADV Part II. In this case, the associated persons may waive or reduce the amount of the financial planning fee as a result of additional fees being earned by Merit. Any adjustment to the financial planning fee is at the discretion of Merit's associated persons and will be disclosed to clients prior to transactions being implemented. Clients are not obligated in any manner to implement the advice of Merit through it and/or its associated persons.</p> <p style="text-align: center;"><b>MERIT 401(k) MAXIMIZER PROGRAM</b></p> <p>The Merit 401(k) Maximizer Program (Program) is offered to help clients realize the value of their benefits package, to help them understand all options available under that benefits package and to help them plan how to take advantage of those benefits to work towards a secure future. These services are offered on both a plan level and at an employee participant level. Merit's associated persons will analyze the client's situation and the client's employer benefits options in light of current market conditions. They will make recommendations to help the client minimize their risk but still take advantage of changing market conditions and trends to help their goals become reality. Under no circumstances will Merit or its associated persons consider these Program services to be an asset management service. If a client elects to follow any recommendations received from Merit or its associated persons, the client is responsible for implementation. Merit and its associated persons will not implement transactions or act as custodian for client accounts when providing these services.</p> <p>The fee for the 401(k) Maximizer Program is \$299 per year, payable at the time the client agreement is signed. Merit will never require payment of more than \$500 in fees, more than six months in advance. Clients may elect to have fees billed directly to them, to have fees automatically deducted from an existing account or to have fees paid by a direct credit card payment authorization. If a client chooses to have fees automatically deducted from an existing account or to have fees paid by credit card, the client will be required to provide the account custodian with written authorization to have fees deducted and paid directly to Merit.</p> <p>Services continue throughout the one-year period of the client agreement. Services are automatically renewed on the anniversary date of the original agreement at the same price as was agreed upon unless terminated by the parties. Fees for the following year are due at the time of renewal. Either party may terminate Program services by providing either oral or written notice to the other. Termination will be effective immediately upon receipt of notice. If oral notice is provided, written confirmation is required within five business days. If services are terminated within five business days of executing the client agreement, services will be terminated without penalty. After the initial five business days, no refund will be provided to the client.</p> <p style="text-align: center;"><b>MERIT 401(k) MAXIMIZER NETWORK</b></p> <p>Merit's employees and independent contractors provide training to other financial advisors on the components of the Merit 401(k) Maximizer Program. This training is provided on a non-advisory basis, and financial advisors completing the training become members of the Merit 401(k) Maximizer Network (MMN). MMN financial advisors are not affiliated with Merit. Merit's</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:  
**Merit Financial, Inc.**

SEC File Number:  
**801-67462**

Date:  
**5/6/10**

(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>Merit Financial, Inc.</b>	IRS Empl. Ident. No.: <b>58-2294255</b>
Item of Form (identify)	Answer
Part II, Page 2, #1D (continued)	<p>associated persons will provide Merit 401(k) Maximizer Program services to advisory clients of the MMN financial advisors through either a sub-planner or solicitor relationship.</p> <p><u>Sub-Planner Relationship</u></p> <p>In the sub-planner relationship, the MMN financial advisor will gather all required information and documentation concerning the client's benefit plan and provide it to Merit's associated persons. Merit's associated persons will then analyze the client's situation in light of current market conditions and benefit options and make recommendations to help the client minimize risk and take advantage of current market trends. The analyses and recommendations will be forwarded to the MMN financial advisor, who is responsible for presenting it to his/her client. Merit's associated persons will not assist in implementing any of the recommendations that the client may elect to follow.</p> <p>The MMN financial advisor is responsible for paying the \$299 fee charged by Merit for its 401(k) Maximizer Program services. This fee is due from the MMN financial advisor upon receipt of a billing statement from Merit. Any additional advisory services provided by the MMN financial advisor to the client will be detailed as part of a separate client agreement.</p> <p><u>Solicitor Agreement</u></p> <p>In the solicitor relationship, the MMN financial advisor refers the client to Merit for 401(k) Maximizer Program services. Appropriate solicitor disclosure information and documentation will be provided to clients for these referrals. Merit will collect all information and documentation needed and then present its analyses and recommendations directly to the client.</p> <p>The \$299 fee for 401(k) Maximizer Program services is due from the client at the time the client agreement is signed. The fee can be paid by direct billing, by deduction from an existing account or by direct credit card payment authorization. As a result of this referral relationship, Merit may pay a portion of the advisory fee charged to the client to the referring MMN financial advisor. This relationship will not result in higher fees being charged to the client outside of the normal 401(k) Maximizer Program advisory fee charged by Merit. If the client elects to follow any of Merit's recommendations, the client is responsible for implementation. Merit's associated persons will not assist the client with implementing any transactions.</p> <p><u>Duration and Termination</u></p> <p>Services continue for a period of one year from the date the client agreement is signed. During this one year period, periodic rebalancing and/or other recommendations may be requested. In the sub-planner relationship, the MMN financial advisor is responsible for requesting additional changes and also for gathering any additional information or documentation needed. Merit's associated persons will forward any updated recommendations to the MMN financial advisor, who is responsible for presenting it to his/her client. In the solicitor relationship, the client can request rebalancing or other recommendations directly from Merit's associated persons.</p> <p>Maximizer services are automatically renewed on the anniversary date of the original client agreement at the same price unless terminated by the parties. Fees for the following year are due at the time of renewal. Either party can terminate services prior to that time by providing oral or written notice to the other, and termination will be effective immediately upon receipt of notice. If</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:  
**Merit Financial, Inc.**SEC File Number:  
**801-67462**Date:  
**5/6/10**

(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>Merit Financial, Inc.</b>	IRS Empl. Ident. No.: <b>58-2294255</b>
Item of Form (identify)	Answer
Part II, Page 2, #1D (continued)	<p>oral notice is provided, written confirmation is required within five business days. If services are terminated within five business days of executing the client agreement, services will be terminated without penalty. After the initial five business days, no refund will be provided to the client.</p> <p><u>MMN Referrals</u></p> <p>Advisory clients of Merit may wish to contract for advisory services not offered by Merit. In these instances, Merit may refer the client to a MMN financial advisor providing that service. Clients are under no obligation to utilize the services of that MMN financial advisor. Any referrals will be arms-length in nature, meaning Merit will not receive any referral or solicitor fee if the client does elect to utilize the services. Although Merit and the MMN financial advisor are not affiliated, there is a relationship due to the initial Program training provided by Merit's employees and independent contractors and the on-going MMN membership.</p> <p style="text-align: center;"><b>LIFEGUIDE PROGRAM</b></p> <p>Merit offers investment management services, including giving continuous advice to the client based on the individual needs of the client, through SAA's LifeGuide Program (LifeGuide). SAA is an investment advisor registered with the SEC. SAA's LifeGuide Program is a wrap-fee program providing investment advisory services and execution of client transactions for which the specified fee (or fees) is not based directly upon transactions in the client's account. Merit's associated persons will assist the client in establishing a LifeGuide Account (the Account) with SAA. All brokerage transactions in the Account will be processed by SAI, an affiliated broker/dealer of SAA, and cleared through National Financial Services, LLC (NFS) pursuant to a clearing arrangement established by SAI with NFS. Clients receive twenty free mutual fund transactions in their account each year. After that, clients may be responsible for additional ticket charges. SAA has also entered into agreements with various insurance companies that allow for the management and valuation of client variable annuity accounts within SAA's LifeGuide. NFS, insurance companies or other custodians will maintain custody of all funds and securities. At no time will SAA, SAI or Merit act as custodian of the Account or have direct access to the client's funds and/or securities.</p> <p>The annual management fees charged for this service will be negotiated with each client, with a management fee range of 1.25% to 1.40% per annum. SAA retains 10% of the annual management fee charged by Merit. In addition, mutual funds held in LifeGuide Accounts have operating expenses that are charged separately from the annual management fee.</p> <p>A complete description of LifeGuide and related fees and charges are described in SAA's LifeGuide Program Schedule H Disclosure Brochure that will be given to all clients prior to or at the time a LifeGuide account is established.</p> <p>Merit offers the LifeGuide Program in conjunction with SAA based on the needs of the client. Merit utilizes SAA's reporting system and fund selection to assist in proper asset allocation.</p> <p style="text-align: center;"><b>SEI ASSET MANAGEMENT PROGRAM</b></p> <p>The SEI Asset Management Program (SEI Program) is an institutional asset allocation program that Merit uses in the management of the client's account assets. Merit's associated persons assist the client in establishing an SEI Program Account (the Account) at SEI Trust Company (SEI). All transactions in the Account will be processed and cleared through SEI. The SEI Program uses asset</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:  
**Merit Financial, Inc.**

SEC File Number:  
**801-67462**

Date:  
**5/6/10**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

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Item of Form (identify)	Answer
Part II, Page 2, #1D (continued)	<p>allocation portfolios developed by SEI Investments. The portfolios consist of SEI Family of Institutional Mutual Funds (Mutual Funds) and other securities approved by SEI to be held in an account. Merit provides SEI with the asset allocation policy (Asset Allocation Policy) that the client selects for the Account. Merit directs SEI to reallocate the client's investments in accordance with the client's Asset Allocation Policy. In addition, Merit directs SEI to rebalance the investments within the Account at least quarterly, so that the market value of the shares of each mutual fund held in the Account is the same percentage of the total market value of the Account as required by the client's Asset Allocation Policy. SEI holds custody of all SEI Program Client Account assets.</p> <p>SEI Program management fees (Management Fees) are payable quarterly, in arrears, based on assets under management at the end of the quarter. Management Fees are automatically deducted from the client's Account. Each quarter SEI will send the client an account statement that will include a Management Fee Notification, which will show the computed fee, any adjustments to fee, an explanation of any adjustment and the net Management Fee be deducted later in the period from the Account. Management Fees are paid to Merit and/or its associated persons. Up to 5% of the Management Fees may be paid to SAA, a registered investment advisor, for marketing and administrative services SAA provides to Merit. Clients may terminate the SEI Program account at any time by notifying Merit. Termination will be effective upon receipt of such notice. If services are terminated within five business days of executing the client agreement, services will be terminated without penalty. After the initial five business days, the client may be responsible for payment of fees for the number of days of services were provided by Merit prior to receipt of the notice of termination.</p> <p>The maximum total advisory fees charged to clients will not exceed 1.75% per year. Custodian fees and internal Mutual Fund expenses are separate from the SEI client fees. Complete details on the SEI fees and expenses, are disclosed in SEI's Disclosure Brochure which will be given to all clients. The exact fee and/or fee schedule for each client will be disclosed in SEI's Client Agreement.</p> <p>SEI Trust Company may charge a separate custodial fee for the custody services it provides the client's Account. Mutual Funds held in the Account pay their own advisory fees and other expenses, which are explained in each Mutual Fund's prospectus. These fees and expenses are separate charges from the Account management fees.</p> <p style="text-align: center;"><b>INDEPENDENT MANAGED ASSETS PROGRAM</b></p> <p>Merit may establish agreements with third-party money managers offering a wide range of advisory services including asset allocation, market timing and portfolio management. Merit may select the services of money managers in SAA's Independent Managed Assets Program (IMAP). Merit will solicit the services of the recommended third-party money managers, but will not refer a client to a money manager unless the money manager is registered or exempt from registration as an investment advisor in the client's state of residence. A client may select a recommended money manager based on the client's needs. Merit's associated persons will be available to meet with the client on a continuous basis. Clients should be aware that the solicitor or sub-advisor fees paid to Merit differ among recommended money manager programs. There are conflicts of interest which may affect Merit's independent judgment in the recommendation of one money manager program over another. Merit will be compensated by a solicitor's fee or sub-advisor fee paid to it by the recommended money manager. When Merit uses an SAA IMAP money manager, SAA will receive a portion of the solicitor fee, a marketing override or an administrative fee for providing administrative and marketing services.</p>

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**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

Applicant: <b>Merit Financial, Inc.</b>	SEC File Number: <b>801-67462</b>	Date: <b>5/6/10</b>
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Item of Form (identify)	Answer	
Part II, Page 2, #1D (continued)	<p align="center"><b>REFERRAL RELATIONSHIPS</b></p> <p>Merit may receive arms-length referrals of clients from other advisor representatives, attorneys, accountants or other professionals. If the referred clients elect to use Merit and its associated persons for advisory services, advisory fees may be charged by Merit. No fees will be paid to the referring parties for these arms-length referrals.</p> <p>Merit may enter into agreements with solicitors to refer clients to Merit through SAA's Professional Alliance Program. If a referred client enters into an advisory agreement with Merit, a cash referral fee is paid to the referring solicitor based upon a percentage of the advisory fees generated. These referral agreements will not result in any charges to clients in addition to the normal level of advisory fees charged and will be in compliance with all applicable federal and state securities laws.</p> <p>Merit also may establish referral relationships with advisor representatives of SAA, an investment advisor firm registered with the SEC. In addition, Merit may establish relationships with other investment advisor firms, including those whose owners, officers and/or advisor representatives are also registered representatives with SAI, a broker/dealer, member FINRA/SIPC, and affiliated company of SAA. In these referral relationships, the other advisors may refer clients to Merit and its associated persons for specialized advisory services not offered by the other advisors. Appropriate solicitor disclosure information and documentation will be provided to clients for these referrals. As a result of these referrals, Merit may pay a portion of the advisory fees it charges for its specialized services to the referring advisors. These relationships will not result in higher fees being charged to the client outside of the normal advisory fees charged by Merit for the services provided.</p>	
Part II, Page 3, #4A(5), #4B(8) & #4C(7)	Model asset allocation portfolio programs, provided by a number of institutional investment managers and strategists, may be used when managing client assets in the SEI Asset Management Program.	
Part II, Page 4, #5	Persons determining, providing or giving investment advice to clients on behalf of Merit must have at least 10 years of experience in the financial services industry and either have or be working towards a professional designation such as CFP®, ChFC, PFS, CFA, CIC or CPA. However, Merit's President will examine each situation on an individual basis and may determine that other factors will supplement or supersede the experience and designation requirements.	
Part II, Page 4, #6	<p><b><u>Rick L. Kent</u></b>, ChFC, CFP® Born 1955</p> <p>Mr. Kent attended Indiana University SE from 1975 to 1978. He has been the owner and President of Merit Financial, Inc. since March 1997. In January 2007, Merit Financial, Inc. became a registered investment advisor with the SEC; Mr. Kent became an investment advisor representative of the firm at that time also. He was an investment advisor representative with SAA from September 2002 to January 2007. He has been a registered representative with SAI since May 2000. Mr. Kent has been an owner, Vice President, Secretary and Treasurer of Allegiance Financial Group, Inc. since June 1995. He became a 50% partner of Allegiance Financial Strategies Group in April 2004 and in June 2008 he became a 75% owner. Rick has also acted as a sole proprietor doing business as The Goal Cultivator Group from April 2004 to May 2009.</p>	

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**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

Applicant: <b>Merit Financial, Inc.</b>	SEC File Number: <b>801-67462</b>	Date: <b>5/6/10</b>
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Item of Form (identify)	Answer	
Part II, Page 4, #6 (continued)	<p><b><u>James B. Russell III</u></b>, ChFC Born 1947</p> <p>Mr. Russell graduated from Stetson University in 1970 with a Bachelors Degree in Business. He has been an insurance agent with Allegiance Financial Group, Inc. since September 1997. In addition, he was a loan officer with First Horizon Home Loan (f/k/a Real Estate Financial Services, Inc.) from March 2001 to June 2003 and with Faith Funding Group, Inc. from June 2003 to December 2007. Mr. Russell has been a registered representative with SAI since May 2000. He was an investment advisor representative with SAA from September 2002 until August 2007, when he joined Merit Financial, Inc.</p> <p><b><u>Dennis L. Davis</u></b>, CPA, CFEd® Born 1955</p> <p>Mr. Davis graduated from the University of Alabama Birmingham in 1979 with a degree in Finance. He returned to the University of Alabama Birmingham in 2002 and completed his Accounting equivalency in 2004. He has been a managing principal with Allegiance Financial Strategies Group since June 2004 and a registered representative of Securities America, Inc. since September 2004. He was an investment advisor with Securities America Advisors, Inc. from July 2005 until December 2007, when he joined Merit Financial, Inc. in the same position. Since September 2006, Mr. Davis has been an instructor of financial education seminars for Heartland Institute, LLC. He has been the Chairman of the Ministry Planning Committee of First Baptist Church since January 2007. Mr. Davis was an accounting staff assistant with Dobbs &amp; Associates from January 2004 to April 2004 and a director with Bellsouth from March 1997 to October 2003. In June 2008 Dennis became a 25% owner of Allegiance Financial Strategies Group.</p> <p><b><u>David S. Elder Jr.</u></b>, Born 1982</p> <p>Mr. Elder graduated from Belmont University in 2004 with a Bachelors Degree. He is currently pursuing an MBA at Georgia State University. Mr. Elder worked for Ken Stanton Music which provided instrument rentals from August 2005 to September 2006. He was a registered representative with Cambridge Investment Research, Inc. from January 2007 to November 2009. During that time he was also an investment advisor representative with AMG Financial Strategies, Inc. Mr. Elder has been a freelance musician since May 2004. In June 2004 he joined the Praise Band at City of David Redeemed Church of God. He has been a technical contractor for Mount Pisgah UMC since August 2006. Mr. Elder has been a teacher with Imagine Arts since September 2006. In November 2009 he joined Securities America, Inc. as a registered representative, at that time he also joined Merit 401(k) Maximizer as an investment advisor representative.</p>	
Part II, Page 5, #9B	<p>Merit's associated persons are registered representatives of SAI, member FINRA/SIPC. As registered representatives, they sell securities to any client for commissions. This could present a potential conflict of interest since they could receive fees and commissions if the client chooses to implement their recommendations in their capacity as registered representatives. Clients are free to select any broker/dealer they wish to implement recommendations.</p>	
Part II, Page 5, #9E	<p>Merit or its associated persons may buy or sell securities or have an interest or position in a security for their personal account that they also recommend to clients. Merit is and shall continue to be in compliance with <i>The Insider Trading and Securities Fraud Enforcement Act of 1988</i>. As these situations may represent a potential conflict of interest, it is a Merit policy that no associated person shall prefer his/her own interest to that of the advisory client. No person employed by Merit may purchase or sell any security prior to a transaction or transactions being implemented for an</p>	

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**Schedule F of  
Form ADV****Continuation Sheet for Form ADV Part II**Applicant:  
**Merit Financial, Inc.**SEC File Number:  
**801-67462**Date:  
**5/6/10**

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Item of Form (identify)	Answer	
Part II, Page 5, #9E (continued)	<p>advisory account. Associated persons shall not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of his/her employment unless the information is also available to the investing public upon reasonable inquiry. Merit maintains a list of all securities holdings for itself and all associated persons that is reviewed on a regular basis by a principal of the firm. This log is available for client review upon request.</p> <p>According to the <i>Investment Advisers Act of 1940</i>, an investment advisor is considered a fiduciary. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts. In addition, an investment advisor has a duty of utmost good faith to act solely in the best interest of each of its clients. Merit and its associated persons have a fiduciary duty to all clients. Merit has established a Code of Ethics that all associated persons must read. They must then execute an acknowledgment agreeing that they understand and agree to comply with Merit's Code of Ethics. The fiduciary duty of Merit and its associated persons to clients is considered the core underlying principle for the firm's Code of Ethics and represents the expected basis for all associated persons' dealings with clients. Merit has the responsibility to make sure that the interests of clients are placed ahead of it or its associated persons' own investment interests. All associated persons will conduct business in an honest, ethical and fair manner. All associated persons will comply with all federal and state securities laws at all times. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to services being conducted. All associated persons have a responsibility to avoid circumstances that might negatively affect or appear to affect the associated persons' duty of complete loyalty to their clients. This section is only intended to provide current clients and potential clients with a description of Merit's Code of Ethics. If current clients or potential clients wish to review Merit's Code of Ethics in its entirety, a copy may be requested from any of Merit's associated persons and a copy will be provided promptly.</p>	
Part II, Page 5, #10	<p>SAA's recommended minimum investment amount for establishing and maintaining a LifeGuide Account is \$50,000. Exceptions may be granted to this minimum upon request.</p> <p>The minimum investment required in the SEI Program is \$100,000.</p>	
Part II, Page 5, #11A	<p>Financial planning services terminate upon presentation of the plan to the client. However, Merit recommends that clients have their financial situation reviewed and updated at least annually. If they do so, a new client agreement may be required and additional fees may be charged. Under the Merit 401(k) Maximizer Program, reviews are not provided unless specifically requested by the client.</p> <p>Managed accounts are reviewed at least quarterly. Accounts held at third party money managers are reviewed when statements are received, usually quarterly.</p> <p>Merit's associated persons perform all account reviews. The calendar is the main triggering factor, although client request, changes in mutual fund management or unusual market activity may trigger more frequent reviews. Absent specific instructions from the client, reviews are done on an account's overall performance relative to client circumstances and objectives.</p>	
Part II, Page 5 #11B	<p>Clients will receive statements at least quarterly from the investment company, broker/dealer, clearing firm or money manager at which their account is maintained. Clients participating in the LifeGuide Program may receive quarterly, monthly or on-demand reports showing the investment performance of their accounts from SAA or Merit. Clients participating in the SEI Program will receive monthly account statements, transaction ledgers and quarterly reports showing the</p>	

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**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

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Item of Form (identify)	Answer	
Part II, Page 6, #12A(1) & 12A(2)	investment performance of their account from SEI.  Upon receiving written authorization from the client, Merit may manage client's assets on a limited discretionary basis. When it does, discretionary authority is limited in that Merit will not have the authority to withdraw funds and/or securities from client accounts except when written authorization has been provided to have fees automatically deducted from the client's account and paid directly to Merit. In SEI accounts, discretionary authority is limited to no-load mutual funds.	
Part II, Page 6, #12B	Merit's associated persons are registered representatives of SAI, a full service broker/dealer, member FINRA/SIPC. When placing securities transactions through SAI in their capacity as registered representatives, they may earn sales commissions.  Clients wishing to implement Merit's advice are free to select any broker they wish and are so informed. If clients wish to have Merit's associated persons implement the advice in their capacity as registered representatives, their broker/dealer, SAI, will be used. SAI has a wide range of approved securities products for which it performs due diligence in selecting. SAI's registered representatives are required to adhere to these products when implementing securities transactions through SAI. Commissions charged for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker/dealer.	
Part II, Page 6, #13A	Some of the advice offered by the associated persons involves investments in mutual fund products. Load and no-load mutual funds may pay annual distribution charges sometimes referred to as 12(b)-1 fees. The associated persons may receive a portion of these 12(b)-1 fees from some investment companies in their separate capacities as registered representatives. Clients should be aware that these 12(b)-1 fees come from fund assets, and thus, indirectly from client's assets. The receipt of these fees could represent an incentive for registered representatives to recommend funds with 12(b)-1 fees or higher 12(b)-1 fees over funds with no fees or lower fees, therefore creating a potential conflict of interest.  From time to time, Merit may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.  Merit may have relationships with non-affiliated investment advisors. Merit has established relationships with other investment advisors through which it will act as a solicitor referring clients to the other investment advisors management programs. Merit may select and monitor third party money managers to manage client assets, including money managers in SAA's IMAP. When soliciting for money managers, Merit will receive a portion of the fees paid to the money manager. SAA may also receive a portion of the fee or a marketing override for fees paid to IMAP approved money managers.  Merit may also use the advisory, administrative and marketing services of SEI Investments, a registered investment advisor, and SAA when managing client assets in the SEI Asset Management	

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**Schedule F of  
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Part II, Page 6, #13B	<p>Program. When doing so, SAA will receive a portion of the fees charged to the client.</p> <p>In the Professional Alliance Program, Merit enters into agreements with solicitors (referring parties) to refer clients to Merit. If a referred client enters into an investment advisory agreement with Merit, a cash referral fee is paid to the referring party which is based upon a percentage of the client advisory fees generated. The referral agreements between any referring party and Merit will not result in any charges to clients in addition to the normal level of advisory fees charged. The referral agreements between Merit and referring parties are in compliance with regulations as set out in 17 CFR Section 275.206(4)-3.</p> <p>Merit also may establish referral relationships with advisor representatives of SAA, an investment advisor firm registered with the SEC. In addition, Merit may establish relationships with other investment advisor firms, including those whose owners, officers and/or advisor representatives are also registered representatives with SAI, a broker/dealer, member FINRA/SIPC, and affiliated company of SAA. In these referral relationships, the other advisors may refer clients to Merit and its associated persons for specialized advisory services not offered by the other advisors. Appropriate solicitor disclosure information and documentation will be provided to clients for these referrals. As a result of these referrals, Merit may pay a portion of the advisory fees it charges for its specialized services to the referring advisors. These relationships will not result in higher fees being charged to the client outside of the normal advisory fees charged by Merit for the services provided.</p> <p>Merit may also refer clients requesting advisory services not offered by Merit to MMN financial advisors providing that service. Any referrals will be arms-length in nature and clients are not obligated to use the MMN financial advisor.</p> <p>Prior to February 2008, Merit had entered into a relationship with Hanson McClain Retirement Network, LLC (HMRN), registered broker-dealer and investment adviser. Through this relationship, HMRN had provided marketing support and training to assist Merit in obtaining more clients. Merit will continue to pay HMRN a portion of the commissions or investment advisory fees earned from these clients. The marketing support and training by HMRN was solely for the purpose of enabling Merit to better market Merit's investment advisory services. No client was directly referred to Merit as a result of this relationship. At no time, did HMRN have contact with Merit's clients.</p> <p style="text-align: center;"><b>OUTSIDE BUSINESS ACTIVITIES AND MATERIAL ARRANGEMENTS</b></p> <p>Merit's associated persons are engaged in professions other than giving investment advice. They are registered representatives and also independently licensed as insurance agents. When acting in these capacities, they sell securities products and insurance products to any client for commissions. The time spent on these activities varies with each associated person, ranging from a small amount to a majority of their workweek. Mr. Kent also spends a small amount of time on his activities as a facilitator for The Goal Cultivator Group, on his corporate responsibilities for both Allegiance Financial Group, Inc. and Allegiance Financial Strategies Group and providing practice management information and training to other financial advisors. Mr. Davis also spends a small amount of his time providing financial training to clients in their separate capacities as Certified Financial Educators (CFEd®).</p> <p>Some of Merit's associated persons have established a relationship with Heartland Financial</p>

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	<p>Network, LLC (HFN). In order for Merit's associated persons to participate in this relationship, they must first obtain the Certified Financial Educator (CFEd®) designation through The Heartland Institute for Financial Education (HIFE). After obtaining the designation, the CFEd® may agree to participate in additional training through HFN and receive further instruction on leveraging the CFEd® designation to convert seminar attendees into advisory clients. In addition, HFN will provide marketing assistance and may assist in setting up relationships with various institutions and businesses through which the CFEd® will provide financial training to individuals. HFN will not solicit or refer individual clients to Merit or its associated persons.</p> <p>After receiving the additional training, the CFEd® will provide financial education seminars to individuals. No specific products will be discussed or sold during these seminars. However, individuals attending will receive an initial one-on-one consultation with the CFEd® at no charge to the individual attendee. If the attendee then wishes to become a client and work with the CFEd® in his separate capacity as an associated person of Merit, the client will sign an agreement with Merit for those services.</p> <p>In order to receive this additional training and assistance, Merit associated persons must sign an agreement with HFN. HFN is owned by Securities America Financial Corp. (SAFC) and Alan Gappinger. Any associated person of Merit receiving additional assistance and training from HFN will share a portion of any fees received from clients executing agreements with Merit as a result of the financial education seminars with SAA, a registered investment advisor firm owned by SAFC. Such fees will then be used to pay expenses of HFN. Alan Gappinger will indirectly benefit from this relationship in addition to SAA/SAFC because he will share a portion of any profits produced through HFN.</p> <p>Merit may have relationships with non-affiliated investment advisors. It uses the services of SAA, a registered investment advisor, through its LifeGuide Program when managing assets. When doing so, SAA will receive a portion of the fees.</p> <p style="text-align: center;"><b>PROXY VOTING</b></p> <p>Merit and its associated persons will not vote proxies on behalf of clients. Clients will be solely responsible for all proxy voting decisions. Clients are instructed to read through the information provided with the proxy document and to make a determination based on the information provided.</p> <p style="text-align: center;"><b>PRIVACY POLICY</b></p> <p>Merit is a registered investment advisor in the business of providing investment advisory services to customers. It is committed to safeguarding the confidential information of its clients. It holds all personal information provided to it in the strictest confidence. Its representatives may also be registered representatives of SAI, a registered broker-dealer that is not affiliated with Merit. Merit may also have relationships with other non-affiliated investment advisor firms, such as SAA, an affiliate of SAI, insurance companies, trust companies, custodians and other financial institution entities. Except as required or permitted by law, Merit does not share confidential information about clients with non-affiliated third parties. In the unlikely event there were to be a change in this fundamental policy that would permit additional disclosures of confidential client information, Merit will provide written notice to clients, and clients will be given an opportunity to direct Merit as to whether such disclosure is permissible.</p>

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Merit Financial, Inc.</b>		IRS Empl. Ident. No.: <b>58-2294255</b>
Item of Form (identify)	Answer	
	<p style="text-align: center;"><b>AN IMPORTANT NOTICE CONCERNING CUSTOMERS' PRIVACY</b></p> <p><u>Customer Information Collected.</u> Merit collects and develops personal information about clients, and some of that information is non-public personal information (Customer Information). The essential purpose for collecting Customer Information is to provide and service the financial products and services clients obtain from Merit. The categories of Customer Information collected depend upon the scope of the engagement with Merit and are generally described below. As an investment advisor, Merit collects and develops Customer Information about clients in order to provide investment advisory services. Customer Information collected includes:</p> <ul style="list-style-type: none"><li>• Information received from clients on financial inventories through consultation with Merit's representatives. This Customer Information may include personal and household information such as income, spending habits, investment objectives, financial goals, statements of account and other records concerning clients' financial condition and assets, together with information concerning employee benefits and retirement plan interests, wills, trusts, mortgages and tax returns.</li><li>• Information developed as part of financial plans, analyses or investment advisory services.</li><li>• Information concerning investment advisory account transactions, such as wrap account transactions.</li><li>• Information about clients' financial products and services transactions with Merit.</li></ul> <p><u>Data Security.</u> Merit restricts access to Customer Information to those representatives and employees who need the information to perform their job responsibilities within Merit. Merit maintains agreements, as well as physical, electronic and procedural securities measures that comply with federal regulations to safeguard Customer Information about clients.</p> <p><u>Use and Disclosure of Customer Information to Provide Customer Service for Client Accounts.</u> To administer, manage and service customer accounts, process transactions and provide related services for client accounts, it is necessary for Merit to provide access to Customer Information within Merit and to non-affiliated companies such as SAI, SAA, other investment advisors, other broker-dealers, trust companies, custodians and insurance companies. Merit may also provide Customer Information outside of Merit as permitted by law, such as to government entities, consumer reporting agencies or other third parties in response to subpoenas.</p> <p><u>Former Clients.</u> If clients close an account with Merit, it will continue to operate in accordance with the principles stated in the Notice.</p> <p><u>Requirements of Federal Law.</u> In November of 1999, Congress enacted <i>The Gramm-Leach-Bliley Act</i> (GLBA). The GLBA requires certain financial institutions, including broker-dealers and investment advisors, to protect the privacy of Customer Information. To the extent a financial institution discloses Customer Information to non-affiliated third parties, other than as permitted or required by law, customers must be given the opportunity and means to opt out (or prevent) such disclosure. Please note that Merit does not disclose Customer Information to non-affiliated third parties except as permitted or required by law (e. g., disclosures to service client's accounts or to respond to subpoenas).</p>	

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