

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

Name of Investment Adviser:

**Retirement Management Systems, Inc.**

Address: (Number and Street)

(City)

(State)

(Zip Code)

Area Code: Telephone Number:

**441 Defense Highway, Suite E****Annapolis****MD****21401****(888) 870-7674**

**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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|                           | <b>March 2010</b>   |                    |

**(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:

**Retirement Management Systems, Inc.**

SEC File Number:

**801-70978**

Date:

**01/01/2010**

## Definitions for Part II

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

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

1. **A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service. Estimate  
(See instruction below.)

|                                     |   |      |
|-------------------------------------|---|------|
| Applicant:                          |   |      |
| <input checked="" type="checkbox"/> | (1) Provides investment supervisory services  | 100% |
| <input type="checkbox"/>            | (2) Manages investment advisory accounts not involving investment supervisory services  | %    |
| <input type="checkbox"/>            | (3) Furnishes investment advice through consultations not included in either service described above  | %    |
| <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 type="checkbox"/>            | (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 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 type="checkbox"/> (1) A percentage of assets under management                 | <input type="checkbox"/> (4) Subscription fees |
| <input type="checkbox"/> (2) Hourly charges  | <input type="checkbox"/> (5) Commissions       |
| <input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other             |

## D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of Clients** - Applicant generally provides investment advice to: (check those that apply)

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> A. Individuals           | <input 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 |   |

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

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

Applicant:

**Retirement Management Systems, Inc.**

SEC File Number:

**801- 70978**

Date:

**01/01/2010****3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

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

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

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

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

- |   |   |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines    | (5) <input type="checkbox"/> Timing services  |
| (2) <input 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 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 checked="" 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)                            |  |
| (4) <input type="checkbox"/> Short sales   | (7) <input type="checkbox"/> Other (explain on Schedule F)   |

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

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

Applicant:

Retirement Management Systems, Inc.

SEC File Number:

801-70978

Date:

01/01/2010

**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 checked="" 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.)

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

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

Applicant:

Retirement Management Systems, Inc.

SEC File Number:

801-70978

Date:

01/01/2010

**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.

Generally, asset class model portfolios are reviewed annually at the time we revise our capital market assumptions for the year. These model portfolios span seven different risk levels and investment objectives. Investment options available within the defined contribution plans in which our clients are participating are allocated to the model portfolios and reviewed on a quarterly basis. Individual client portfolios are reviewed quarterly from the date they enrolled in the Savings Plan Management service. In addition to quarterly reviews, a review could be triggered by a pre-determined change in the value of an asset class.

RMS outsources to professional investment analysts the responsibility for reviewing the portfolios allocated for each defined contribution plan. The analysts are selected for their particular expertise working with defined contribution plans. They review the relative performance, risk parameters and other characteristics of each investment option available to clients within the client's plan.

Investment Advisor Representatives who hire Retirement Management Systems, Inc. (RMS) to manage their clients' defined contribution accounts are responsible for ensuring that the client's risk tolerance and financial situation are consistent with the portfolio that RMS is managing.

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

**Reports:**

Clients may receive account statements and transaction confirmations from their respective defined contribution plan custodians. RMS may deliver capital market assumption information to the Investment Advisor Representatives who work directly with clients. In addition, RMS may deliver a report to clients showing their progress toward reaching a retirement savings objective. This report can help clients determine their appropriate level of risk and savings rate.

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

**FORM ADV****Part II - Page 6**

Applicant:

Retirement Management Systems, Inc.

SEC File Number:

801-70978

Date:

01/01/2010

**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 ☒

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:                                 | SEC File Number:  | Date:             |
| <b>Retirement Management Systems, Inc.</b> | <b>801- 70978</b> | <b>03/19/2010</b> |

(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:<br><b>Retirement Management Systems, Inc.</b> |  | IRS Empl. Ident. No.:<br><b>61-1550748</b> |
| Item of Form<br>(identify)  | Answer   |  |
| 1.D   | <p><b>ADVISORY SERVICES AND FEES</b></p> <p><b>Savings Plan Management<sup>SM</sup></b><br/> As a Registered Investment Adviser with the Securities and Exchange Commission (SEC), Retirement Management Systems Inc. (RMS) is in the business of providing individual, personal advisory services to its clients. Our advisory services are offered under common agreement with other Registered Investment Advisers and their Investment Advisor Representatives (Advisor).</p> <p>Our individual clients are those people participating in defined contribution plans (e.g., 401(k), 403(b), 457) wherein the client is responsible for selecting the investments that will help him or her save for retirement. Often these clients are in need of help to select, implement and monitor an investment program for their defined contribution plan savings. Savings Plan Management<sup>SM</sup> offers that support. RMS:</p> <ul style="list-style-type: none"> <li>• researches the investment options available within a client's defined contribution plan</li> <li>• develops an appropriate investment strategy based on one of seven investment models that cover a range of risk and return characteristics from very conservative to very aggressive</li> <li>• implements the investment strategy selected by the client and third-party Investment Advisor Representative</li> <li>• reallocates the strategy to reflect changing market and economic conditions, while staying within the parameters of risk and return selected by the client</li> <li>• rebalances the strategy to maintain the appropriate balance of risk and return characteristics within the strategy</li> <li>• communicates jointly with the client and Advisor regarding research findings, reallocation strategies, and retirement planning (RMS does not contact the Client directly to offer individual investment advice)</li> </ul> <p><b>General Information on Fees</b></p> <p><b>Payment Method.</b><br/> RMS charges an enrollment fee to each Advisor and a Program Fee to each client. To offer the program, Advisor will pay an enrollment fee of \$250 to RMS.</p> <p>Client will pay an annual fee, the exact terms of which are negotiated with the third-party Advisor. A portion of the client Program Fee, ranging from \$100 to \$200, is retained by RMS for its services. The Advisor receives the remaining portion.</p> <p>Upon execution of Savings Plan Management Agreement, Client will pay the Program fee (or the first installment of the fee). Each year on the anniversary date of the Agreement ("Anniversary Date"), Client will be notified of renewal and charged the Program fee for the subsequent year. RMS will send Client notice of annual renewal thirty (30) days before the Anniversary Date. Advisor and RMS reserve the right to adjust the Program Fee upon renewal of the Agreement, at which time Client will have the opportunity to renew at the new fee or terminate the Agreement.</p> <p>Program Fees may be negotiated and may differ from client to client based upon a number of factors, including, but not limited to, the application of prior fee schedules, participation in other programs of Advisor or RMS, or participation of spouses in such programs.</p> <p><b>Investment Company Fees and Disclosures.</b> Client understands that each investment company in which the Client Assets may be invested, including, but not limited to, Funds and certain other</p> |  |

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:                                 | SEC File Number:  | Date:             |
| <b>Retirement Management Systems, Inc.</b> | <b>801- 70978</b> | <b>03/19/2010</b> |

(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:<br><b>Retirement Management Systems, Inc.</b>   | IRS Empl. Ident. No.:<br><b>61-1550748</b> |
|----------------------------|--|--|
| Item of Form<br>(identify) | Answer   |  |
|                            | <p>securities (such as ADRs and REITs), may bear its own investment advisory fees and other expenses, which are described in the applicable prospectus and may be borne proportionately by shareholders, including Client. Such fees and expenses are in addition to Program Fees paid and will not be reflected on RMS' documents.</p> <p><b>Other Fees.</b> Program Fees cover the services described in the Agreement provided by RMS and Advisor, but do not cover execution and custodial services provided by Plan Administrator or any other Plan expenses or fees. The Program Fee is in addition to any fees the Plan charges its participants. While RMS endeavors to avoid any fees associated with transactions within the account, it cannot guarantee those fees will not be assessed. RMS is not responsible for any transaction fees.</p> <p><b>Engaging The Adviser.</b> All Clients wishing to engage RMS for the provision of its investment advisory services must complete RMS's advisory agreement documents. Upon completion, RMS will be considered engaged by the Client. The term of engagement will be an ongoing term, as set forth in the Agreement. Clients will be responsible for ensuring that RMS has been timely informed of changes in investment objectives and risk tolerance.</p> <p>Certain States require that all investment advisers disclose to their advisory clients that (1) lower fees for comparable services may be available from other sources and (2) that all material conflicts of interest have been disclosed to the client in writing (via the disclosure provided in this Form ADV, Part II), which relate to the adviser or any of its employees which could cause the adviser to not render unbiased and objective advice.</p> <p><b>Termination.</b> Client may terminate their agreement at will upon providing written notice to Advisor. Advisor may terminate their agreement upon obtaining the prior written consent of RMS and providing written notice to Client. The agreement between Client and Advisor also shall terminate upon the termination of the Services Agreement for Savings Plan Management between the Registered Investment Adviser and RMS, upon providing notice of such termination to Client. The termination of the agreement does not affect Client's obligation to pay the annual fee, unless termination coincides with termination of service from Client's Employer or provider of the Plan, at which time a pro-rated refund may be applied. Client has the right to terminate their agreement without penalty within five (5) business days. If Client terminates the agreement within five (5) business days, Client will receive a full refund of the Program Fee.</p> <p>Upon termination of the Agreement by either party, the power of attorney in Section III of the Agreement shall be revoked, Advisor and RMS will not be under any obligation to provide further services with regard to Client Assets, and Client will be solely responsible for the investment of the Client Assets. Client agrees that any termination of the Agreement will not affect the liabilities or obligations of the parties under the Agreement which arise from transactions initiated prior to termination, including the provisions regarding arbitration, which shall survive any termination of the Agreement.</p> <p><b>Privacy Statement</b></p> <p>RMS is committed to safeguarding the confidential information of its Clients. RMS holds all personal information provided to the firm in the strictest confidence. These records include all personal information that RMS collects from Clients or receives from other firms in connection with any of the financial services it provides. RMS also requires other firms with whom it deals to restrict the use of Client information. RMS's Privacy Policy is available upon Client engagement of RMS services and annually thereafter.</p> |  |

**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:                                 | SEC File Number:  | Date:             |
| <b>Retirement Management Systems, Inc.</b> | <b>801- 70978</b> | <b>03/19/2010</b> |

(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:<br><b>Retirement Management Systems, Inc.</b> |  | IRS Empl. Ident. No.:<br><b>61-1550748</b> |
| Item of Form<br>(identify)  | Answer   |  |
|   | <p><b>Warranties/Representations</b><br/>RMS does not represent, warrantee or imply that the services or methods of analysis used by RMS can or will predict future results, successfully identify market tops or bottoms, or insulate Clients from losses due to major market corrections or crashes. No guarantees can be offered that Client's goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by RMS will provide a better return than other investment strategies.</p> <p><b>Proxy Voting</b><br/>RMS does not vote proxy material. Each Client is responsible for voting all proxy materials.</p>   |  |
| 3.L   | <p><b>TYPES OF INVESTMENTS</b></p> <p>RMS endeavors to work with any investment option available to clients within their defined contribution plan. Normally, these options include equity and fixed income mutual funds. However, an occasional defined contribution plan may include a trust that invests solely in the sponsoring company's individual stock. In those instances, assuming information about the stock is readily available for analysis, we will include those investments in our advisory services.</p>   |  |
| 4.B.8   | <p><b>METHODS OF ANALYSIS, SOURCES OF INFORMATION, AND INVESTMENT STRATEGIES</b></p> <p>In addition to annual reports, prospectuses, filings with the SEC, financial newspapers and magazines, RMS also receives a variety of information and research from mutual fund companies. Some of these companies may have a mutual fund included as an investment option within clients' defined contribution plans. The information and research we receive from those companies is commingled with our other sources of information so that we strive to devise the most prudent solution for the clients' investment strategies. In addition, we review any potential conflicts of interest of outside analysts used for research purposes.</p> |  |
| 5   | <p><b>EDUCATION AND BUSINESS STANDARDS</b></p> <p>RMS maintains a high standard for all of our employees. For those employees involved in the research and creation of investment strategies, we require a bachelor's degree (preferably within a relevant line of study), five years or more experience within the investment management and/or financial planning industry, appropriate securities licenses, and an advanced certification such as CFP, CRPC, CIMA or CFA.</p>   |  |
| 6   | <p><b>EDUCATION AND BUSINESS BACKGROUND</b></p> <p><b>JOSEPH MICHAEL SCARBOROUGH, Born: 1953</b><br/> <u>Education after high school:</u><br/> BS, Finance, 1976, Salisbury State; MBA, Finance, 1981, Baldwin Wallace College;<br/> Doctorate, Public Service (honorary), Salisbury University, 2005<br/> <u>Employment history, past 5 years:</u><br/> Retirement Management Systems Inc. President and CEO, 02/08 to present;<br/> Scarborough Capital Management, Inc. (formerly The Scarborough Group, Inc.), President, CEO, 08/87 to present;<br/> SII Investments, Inc., Registered Representative, 12/08 to present;<br/> Royal Alliance Associates, Inc., Registered Representative, 01/96 to 12/08.</p>                           |  |

**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:                                 | SEC File Number:  | Date:             |
| <b>Retirement Management Systems, Inc.</b> | <b>801- 70978</b> | <b>03/19/2010</b> |

(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:<br><b>Retirement Management Systems, Inc.</b> |   | IRS Empl. Ident. No.:<br><b>61-1550748</b> |
| Item of Form<br>(identify)  | Answer  |  |
|   | <p><b>JOHN MARTIN BLAMPHIN, CFP®, Born: 1965</b><br/> <u>Education after high school:</u><br/> BA, Communication Management, 1987, West Virginia University;<br/> MA, Journalism, 1990, University of Maryland<br/> <u>Employment history, past 5 years:</u><br/> Retirement Management Systems Inc., Chief Operating Officer, 07/09 to present; Advisory Representative, 01/2010 to present;<br/> Scarborough Capital Management, Inc., Advisory Representative, 08/09 to present;<br/> SII Investments, Inc., Registered Representative, 07/09 to present;<br/> VALIC (formerly AIG Retirement Advisors), Financial Advisor/Registered Representative, 04/08 to 07/09;<br/> Retirement Strategies of Maryland LLC, Financial Advisor, 05/05 to 04/08;<br/> National Planning Corporation, Registered Representative, 05/05 to 04/08;<br/> The Scarborough Group, Inc., Director of Marketing, 05/99 to 05/05.</p>   |  |
| 8.C(3)  | <p><b>OTHER FINANCIAL INDUSTRY ACTIVITIES OR AFFILIATION</b></p> <p>RMS is under common control with the investment adviser, Scarborough Capital Management, Inc. (SCM). Certain advisory representatives may serve in the capacity of investment advisory representatives for each firm. As such, they may spend approximately 10% of their time as advisory representatives for SCM.</p>  |  |
| 9.B, 9.E  | <p><b>PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS</b></p> <p>As Registered Representatives of SII Investments Inc., several RMS' related persons may recommend to clients the purchase or sale of investment products in which they have some financial interest, including the receipt of compensation. Certain mutual funds, in which a client may invest, make 12b-1 fee payments to broker-dealers. Such payments may be distributed pursuant to a 12b-1 distribution plan or pursuant to another agreement as compensation for distribution or administrative services and may be paid out of the fund's assets.</p> <p>A mutual fund that imposes a front end sales load, but which waives that front-end sales load for purchases made on behalf of the client's account, may bear 12b-1 distribution or services fees in excess of 0.25% of the account's net assets invested in such fund (the minimum allowed for no-load funds). The 12b-1 fee deferred sales charges and other fee arrangements will be disclosed upon request of the client and are typically described in the applicable fund's prospectus. Because of these compensation arrangements, a conflict of interest may exist in connection with the recommendation of particular mutual fund investments for a client's account. However, RMS is subject to, and intends to fully enforce, its standards of fiduciary duty that require it to act solely in the best interest of a client when making investment recommendations.</p> <p>RMS may give advice and take action in the performance of its duties to other clients that may differ from the advice given or the timing or nature of the action taken with respect to client's assets.</p> <p>In the course of other activities, RMS and their affiliates may acquire confidential or material non-public information. RMS is not free to divulge to others, or to act upon, such information with respect to its performance of Savings Plan Management.</p> <p>In delivering the Savings Plan Management Program, clients also engage the advisory services of another Advisor and are encouraged to review the potential conflicts of interest disclosed by that Advisor. RMS is not responsible for any conflicts of interest inherent from other Advisors.</p> |  |

**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:

**Retirement Management Systems, Inc.**

SEC File Number:

**801- 70978**

Date:

**03/19/2010**

(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:<br><b>Retirement Management Systems, Inc.</b> | IRS Empl. Ident. No.:<br><b>61-1550748</b>   |
| Item of Form<br>(identify)  | Answer   |
|   | <p><b>CODE OF ETHICS</b></p> <p>It is the expressed policy of RMS that no employee may purchase or sell any individual stock or bond prior to a transaction(s) being implemented for an advisory account. This policy helps to prevent employees from benefiting from transactions placed on behalf of advisory accounts.</p> <p>RMS, or individuals associated with RMS, may buy or sell securities identical to those recommended to customers for their personal accounts. A related person(s) may have an interest or position in a certain security (ies), which may also be recommended to a client. However, RMS will not aggregate block securities purchases for itself or its employees with transactions of advisory clients.</p> <p>As these situations may represent a conflict of interest, RMS has established the following restrictions in order to ensure its fiduciary responsibilities:</p> <ol style="list-style-type: none"><li>1) A director, officer or employee of RMS shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No employee of RMS shall prefer his or her own interest to that of the advisory client.(1),(2)</li><li>2) RMS maintains a list of all securities holdings for itself and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer of RMS.</li><li>3) RMS emphasizes the unrestricted right of the client to decline to implement any advice rendered, except in situations where RMS or a Third Party Advisory Service is granted discretionary authority in the client's account.</li><li>4) RMS requires that all employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any employee not in observance of the above may be subject to termination.</li></ol> <p>Footnotes</p> <ol style="list-style-type: none"><li>(1) This investment policy has been established recognizing that some securities being considered for purchase and sale on behalf of RMS's client's trade in sufficiently broad markets to permit transactions by clients to be completed without an appreciable impact on the markets of the securities. Under certain circumstances, exceptions may be made to the policies stated above. Records of these trades, including the reasons for the exceptions, will be maintained with RMS's records in the manner set forth above.</li><li>(2) Open-end mutual funds and/or the investment sub-accounts which may comprise a variable insurance product are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase of redemption. As such, transactions in mutual funds and/or variable insurance products by Investment Advisor Representatives are not likely to have an impact on the prices of the fund shares in which clients invest, and are therefore not prohibited by RMS' investment policies and procedures.</li></ol> <p>In accordance with Section 204A of the Investment Advisers Act of 1940, RMS also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by RMS or any person associated with RMS.</p> <p>RMS has a fiduciary duty to Clients to act in the best interest of the Client and always place the Client's interests first and foremost. RMS takes seriously its compliance and regulatory obligations</p> |

**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:                                 | SEC File Number:  | Date:             |
| <b>Retirement Management Systems, Inc.</b> | <b>801- 70978</b> | <b>03/19/2010</b> |

(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:<br><b>Retirement Management Systems, Inc.</b> |   | IRS Empl. Ident. No.:<br><b>61-1550748</b> |
| Item of Form<br>(identify)  | Answer  |  |
|   | <p>and requires all staff to comply with such rules and regulations as well as RMS' policies and procedures. Further, RMS strives to handle Clients' non-public information in such a way to protect information from falling into hands that have no business reason to know such information and provides Clients with RMS' Privacy Policy. As such, RMS maintains a Code of Ethics for its Investment Advisor Representatives, supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about Client transactions. Further, RMS' Code of Ethics establishes RMS' expectation for business conduct. A copy of our Code of Ethics will be provided to any Client or prospective Client upon request.</p>  |  |
| 10  | <p><b>CONDITIONS FOR MANAGING ACCOUNTS</b></p> <p>Generally speaking, there are no conditions a client must meet in order for RMS to accept them as a client. However, certain defined contribution plans contain provisions and/or investment options that make Savings Plan Management an unrealistic option for the client. For example, a defined contribution plan may contain proprietary investment options for which we cannot manage the appropriate due diligence process. Furthermore, certain defined contribution plans, being under the auspices of the Employee Retirement Income Security Act of 1974 (ERISA), may expressly prohibit services such as Savings Plan Management<sup>SM</sup> for its participants.</p>   |  |
| 12.A.1,2  | <p><b>INVESTMENT OR BROKERAGE DISCRETION</b></p> <p>Investment discretion exercised by RMS is limited to the investment options available within the client's defined contribution account.</p> <p>RMS will provide limited discretionary services to those Clients that contract with RMS to manage their savings plan account through limited discretionary trading authorization. In such circumstances, RMS is bound to the provisions of the plan and can only move assets among the investment options available in the plan.</p> <p>Written limited discretionary trading authorization will be obtained for all clients to whom discretionary services shall be provided. In this written limited discretionary authority, RMS will be provided with the authority to determine the securities and the amounts of securities that are bought or sold, subject to the limitations of the agreement and the plan (if applicable).</p>   |  |
| Disclosure Information  | <p>On July 8, 2004, the Securities and Exchange Commission (the "Commission") instituted and settled public administrative and cease-and-desist proceedings against J. Michael Scarborough ("Scarborough"), President of The Scarborough Group, Inc., and Royal Alliance Associates, Inc. ("Royal Alliance"), a registered broker-dealer. Scarborough was the manager of the Royal Alliance branch office in Annapolis, MD from 1996 through 2008. Without admitting or denying the Commission's findings, Scarborough and Royal Alliance consented to the entry of an order instituting such proceedings, making findings, and imposing sanctions. According to the Commission's findings, from 1998 through early 2000, in violation of certain provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934, certain registered representatives in Royal Alliance's Annapolis branch office recommended the purchase of Class B mutual fund shares to customers who were eligible to receive sales charge breakpoints on Class A shares of such funds, without making adequate disclosure regarding the relative costs of Class A and Class B shares, and that Royal Alliance and Scarborough failed to reasonably supervise those registered representatives (and, in Royal Alliance's case, Scarborough) with a view to preventing such violations. The Commission's order censured Royal Alliance, imposed a penalty of \$150,000, and required Royal</p> |  |

**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:                                 | SEC File Number:  | Date:             |
| <b>Retirement Management Systems, Inc.</b> | <b>801- 70978</b> | <b>03/19/2010</b> |

(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:<br><b>Retirement Management Systems, Inc.</b>  | IRS Empl. Ident. No.:<br><b>61-1550748</b> |
| Item of Form<br>(identify) | Answer  |  |
|                            | Alliance to review it's policies, procedures and systems with respect to the sales of Class B shares. The Commission's order also required Scarborough to cease and desist from further violations, pay disgorgement of approximately \$2.11 million plus a monetary penalty of \$50,000, and suspended Scarborough from association in a supervisory capacity with any broker-dealer for a period of nine months. In connection with Scarborough's payment of such disgorgement, Royal Alliance made a loan to Scarborough in the amount of approximately \$2 million, repayable over a period of seven years. |  |

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