

SilverHelix, Inc.

ADV II Disclosure Brochure

October 2010

Services Offered

SilverHelix, Inc. (SilverHelix) provides financial planning and investment management services to individual and institutional investors. Our clients include individuals, families, trusts, corporations, charitable organizations, endowments and foundations. Approximately 80% of our investment advisory service work is related to investment research and management. The balance consists of managing client accounts in a sub-advisory role and managing a small hedge fund for high net worth investors.

Professional Staff

The founder and president of the company is Michael Marchuk. Mr. Marchuk has worked in the financial and investment fields since 1989, and has advised high net worth clients on their investment portfolios since 1989. He is 43 years old and holds a bachelors degree in Real Estate Finance from the University of Illinois at Champaign/Urbana. Mr. Marchuk serves as the company's chief strategist to provide investment advice for his newsletter services, client accounts, and hedge fund.

Types of Investments and Selection Methodology

We provide guidance on most types of investment securities. This includes all types of stocks, bonds, mutual funds and exchange traded funds, and may also include commercial paper, certificates of deposit, real estate, oil and gas, life insurance, annuities, warrants, options, derivatives, hedge funds, venture capital, and other private equity investments. The information that we gather for this analysis is primarily procured from paid subscriptions to financial databases and publications. We also review financial newspapers, magazines, company reports, SEC filings, press releases, research materials prepared by other firms, and other data available over the internet. The majority of the advice we provide utilizes this basic research to formulate options strategies to capitalize on the underlying security's movements.

Account Reviews

Client accounts paying for our quarterly management fee are monitored on an ongoing basis, with detailed written reviews provided at the end of each calendar quarter. All such accounts are reviewed in a similar manner.

Our written quarterly reports usually include a portfolio appraisal detailing the security holdings, by asset class, for each client. This appraisal describes the market value, portfolio weighting, and if

available, the cost basis, of each position in the portfolio. In addition, information is typically provided on the performance of each security and asset class for the quarter, and both quarterly and longer term performance data is provided for the overall account. Quarterly reports also typically include detailed performance benchmark (market index) data and our thoughts on the current economic outlook.

Advisory Fees

Our annual management fees are calculated as a percentage of the assets under management. Our rates are 2% for the first \$10 million, 1% for the next \$10 million, and 0.50% thereafter. The minimum account size is \$100,000. Fees and minimums may be adjusted lower at our discretion, or higher by mutual agreement, as a result of the size and complexity of an account.

For managed client accounts, SilverHelix also charges a 20% performance fee on net gains in the client's account at the end of a calendar month. These fees and minimums also may be adjusted lower at our discretion, or higher by mutual agreement, as a result of the size and complexity of an account.

Management fees are typically paid monthly in advance. Clients may terminate their relationship with SilverHelix at anytime, and any unused prepaid fees will be returned in full. Third party firms, such as independent custodians or money managers retained by Client, may collect all or a portion of SilverHelix's fees on its behalf.

Avoiding Conflicts of Interest

Compensation: SilverHelix does not receive any monetary compensation from any source other than the asset based fees paid by clients for account management or from client subscriptions to our advisory service. We do not sell any investment products and do not receive any commission income.

Employee Trading

Employees of SilverHelix will from time to time purchase or sell for themselves the same securities or options that are purchased for clients. There is deemed to be no conflict of interest as the securities involved are widely held and publicly traded, and the transaction size is typically far too small to affect the market. In addition, when such situations arise, the interests of our clients are always placed above the interests of our employees. We believe it is an alignment of our interests for us to own the same securities in both our personal and client accounts.

Independence

SilverHelix is completely independent and is in no way affiliated with any other organization.

Partnerships

While SilverHelix, Inc. is a general partner in a specialty hedge fund, we do not solicit our advisory clients to invest in the fund.

Referrals

We may compensate, directly or indirectly, persons who refer clients to our firm.

Discretionary Trading Authority

SilverHelix manages most client investment accounts on a discretionary basis. This means that we typically have the right, without obtaining specific client consent, to determine the securities that are bought or sold in client accounts, and the amounts of those transactions.

However, this discretion is not completely unlimited. In almost all cases, a written investment policy statement is developed for and agreed to by each new client before any trading is undertaken. This policy statement (and any subsequent direction by Client) guides all asset allocation and investment selection decisions. Discretionary transactions are limited to stocks, bonds, mutual funds, exchange traded funds, certificates of deposit, government securities, options, and other publicly traded marketable securities of a similar nature. Our discretion is further limited in that we cannot withdraw funds from client accounts, other than for monthly management fees which are disclosed to the client prior to withdrawal.

Brokerage Firm Arrangements

Our clients may select any brokerage firm and negotiate directly with that firm for the best commission structures. SilverHelix may recommend brokerage firms based on favorable commission structures or other service factors, but SilverHelix has no formal relationship with any brokerage nor does SilverHelix receive any compensation for any recommendations. SilverHelix does not hold custody of any client funds.