

Item 1 Cover Page

FOCUS WEALTH MANAGEMENT, LTD.
112 West Washington Street, Suite 201
Middleburg, VA 20117

Mailing Address:
PO Box 327
Middleburg, VA 20118

www.focus-wealth.com

November 7, 2011

This brochure provides information about the qualifications and business practices of Focus Wealth Management, Ltd. If you have any questions about the contents of this brochure, please contact us at (540) 931-9051. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Focus Wealth Management, Ltd. also is available on the SEC's website at www.adviserinfo.sec.gov.

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Item 2 Material Changes

Item 4 B. Advisory Services-additional services:

Language was added to include the offering of performance reporting and the offering of advice on non-supervised assets for an agreed upon fee. The offer of this service is entirely at the discretion of the principals of Focus.

Item 7 Types of Clients:

Our minimum account size for accepting new investment clients has been raised from \$500,000 to \$1,000,000 subject to the same exceptions described in Item 5: Fees and Compensation.

Item 12 Brokerage Practices:

The identification of our custodian was changed from Fidelity Institutional Wealth Services to TD Ameritrade, Institutional (TDAI).

Item 14 Client Referrals:

Language was added to describe Focus' participation in TDAI's client referral program, AdvisorDirect. For those clients referred to Focus via this program, Focus will pay TDAI no more than 25% of the fee Focus collects from those clients. These clients will not pay a higher fee to Focus nor receive fewer services. For those clients involved, they will receive a separate disclosure agreement specific to that program.

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure. The date of the last annual update of the brochure was: March 31, 2011.

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Brochure

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Item 4 Advisory Business

A. Describe your advisory firm, including how long it has been in business. Identify your principal owner(s).

Focus Wealth Management, Ltd. is a registered investment advisor firm registered with the Securities and Exchange Commission (SEC) securities regulators as of March 21, 2003. The firm was formed on October 1, 2001. The Principal Owners of the advisory firm are: Sandra L. Atkins, President and Helen L. Modly, Executive Vice President and Chief Compliance Officer.

B. Describe the types of advisory services the firm offers. If the firm holds itself out as specializing in a particular type of advisory service, explain the nature of that service in detail. If the firm provides investment advice only with respect to limited types of investments, explain the type of investment advice firm offers and disclose that the advice is limited to those types of investments.

Focus Wealth Management, Ltd., (Focus) provides the following services:

Financial Planning and Consulting Services

Retirement Planning may include advice with respect to accumulating assets for retirement income or advice relative to appropriate distribution of assets during retirement.

Estate Planning may include advice with respect to property ownership, distribution strategies, estate tax reduction, and charitable planning issues.

Investment Planning may include advice with respect to asset allocation, income needs and wealth accumulation techniques. An evaluation of existing investments may be made in terms of their economic and tax characteristics, as well as their suitability for meeting client objectives and risk tolerances.

Employer Stock Planning may include advice with respect to employer non-qualified and incentive stock options, restricted stock and stock bonus plans.

Business Succession Planning may include advice with respect to evaluating strategies for transferring or disposing of closely held business interests due to death, disability, retirement or the decision to sell.

Investment Advisory Services

Focus manages investment portfolios for individuals, high net-worth individuals, charitable organizations, corporations, and other entities. Focus will work with the client to determine the client's investment objectives, tax situation and ability and willingness to assume risk. Focus will evaluate the client's existing investments, if requested to do so. Focus will allocate the client's account among various asset classes taking into consideration our understanding of the client's overall investment objectives.

Focus primarily recommends portfolios consisting of no-load, institutional class funds offered by Dimensional Fund Advisors (DFA) and others, in addition to exchange traded funds (ETF), individual fixed income securities, certificates of deposit, and occasionally, individual equity securities. Focus manages all portfolios on a discretionary basis. Focus acts as a fee-only investment advisor for clients who contract with Focus for investment advisory services. Focus does not receive any commissions or other income in connection with acting as the client's investment advisor except for the fees described below in Item 5A&B.

Additional Services

Focus authors a monthly column for Morningstar.com and Horsesmouth.com and is paid a fee for this service.

Focus may also include non-supervised accounts in the quarterly performance calculations and offer advice on the investment allocation and security selection for these non-supervised accounts for an agreed upon fee. The offer of this service is entirely at the discretion of the principals of Focus.

C. Explain whether (and, if so, how) the firm tailors advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.

Focus will tailor its advisory services to its client's individual needs based on meetings and conversations with clients. If clients wish to impose certain restrictions on investing in certain securities or types of securities, the Advisor will address those restrictions with the client to have a clear understanding of the client's requirements.

D. If the firm participates in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how the firm manages wrap fee accounts and how it manages other accounts, and (2) explain that the firm receives a portion of the wrap fee for its services.

Focus does not provide portfolio management services to wrap fee programs.

E. If the firm manages client assets, disclose the amount of client assets it manages on a discretionary basis and the amount of client assets on a non-discretionary basis. Disclose the date "as of" which it calculated the amounts.

Focus manages client assets and as of September 1, 2011 has the following assets under management:

Discretionary assets:	\$127,800,000	Non discretionary assets: \$ 0
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Item 5 Fees and Compensation

A.&B. Describe how the firm is compensated for its advisory services. Provide the fee schedule. Disclose whether the fees are negotiable. Describe whether the firm deducts fees from clients' assets or bills client for fees incurred. Explain how often firm bills clients or deducts its fee.

Fees for Financial Planning and Consulting Services

Financial planning fees charged vary according to the type of planning required, based upon the scope of the services requested, the complexity of the client's situation, and whether the fee is for a new planning engagement, the renewal of a prior engagement, or hourly consulting.

For hourly consulting, the hourly fee is quoted on the consulting agreement. Focus may, or may not provide a written report depending upon the nature of the engagement.

For financial planning, a fixed fee is quoted on the client's agreement, and 100% of the total fee is normally due from the client upon inception of the engagement. All engagements are expected to be completed within 6 months of inception. The balance of the fee, if any, is payable upon delivery of the written summary of the planning engagement. Fees charged to clients typically range from \$2,500 to \$10,000 or more. For more limited planning, fees may be less. Hourly fees are \$250 per hour. Fees may be discounted at the advisor's discretion.

Clients, at their own discretion, may terminate a financial planning contract without penalty within (5) business days after its execution. If the client is dissatisfied with either the focus or the specificity of the financial planning services delivered, Focus will, if requested by the client in writing within 10 days of receiving the final written summary of the planning engagement, and at no additional cost, make appropriate revisions, or in our sole discretion, refund all or part of the fee which the client has paid. These revisions do not include updating or revising plan models to incorporate data which has changed since the completion of the planning process.

Investment Fee Schedule*

(Applies to entire account balance)

<i>Portfolio Value</i>	<i>Annual Fee</i>
<i>The first</i> \$1,000,000	1.00%
<i>the next</i> \$2,000,000	0.75%
<i>the next</i> \$2,000,000	0.50%
<i>the next</i> \$5,000,000	0.40%
\$10,000,000 and above	negotiable
*Existing clients may be grandfathered under prior fee schedules. Accounts under \$500,000 may be charged 1.25%.	

Focus, at its discretion, may accept new investment accounts under our published minimum or discount advisory fees based upon unique circumstances. These fees may be negotiated by Focus, at its sole discretion.

Advisory fees are normally computed on the entire account balance as of the end of the prior quarter and charged quarterly in advance. Initial charges will be prorated for the current quarter. No fee adjustments will be made for partial withdrawals. If account falls below the minimum account size requirement, Focus reserves the right to terminate advisory services.

Owners or employees of Focus, and their immediate family members living in the same household are not charged an advisory fee for Focus to manage their account. However, immediate family members who are not living within the same household may be charged a discounted investment advisory fee.

Focus' advisory fees will be withdrawn directly from the client's account held by an independent custodian. The custodian of the account is advised in writing of the limitation on Focus's access to the account. The custodian will also send a statement directly to the client, at least quarterly, indicating all the amounts disbursed from the account including the amount of advisory fees paid to Focus.

All fees paid to Focus for investment advisory services are separate and distinct from the fees and expenses charged by any mutual funds and Exchange Traded Funds to their shareholders. These fees and expenses are described in each fund's prospectus. A client could invest in funds directly without the services provided by Focus. In that case, the client would not receive the advice and services provided by Focus which are designed, among other things, to assist the client in determining which funds are most appropriate to each client's financial situation and objectives. Institutional share classes of mutual funds and DFA funds are not normally available to the retail client directly. Accordingly, the client should review both the fees charged by Focus and the fees charged by the funds to fully understand the total amount of fees to be paid.

Termination of Investment Advisory Services

Client may terminate Focus investment advisory services without penalty within (5) business days of signing the investment advisory agreement. In all other situations, the investment advisory agreement is effective for one year and shall be automatically renewed for successive one year terms unless terminated by either the client or Focus with (30) days written or verbal notice. Upon proper notice of termination, any unearned fees client has paid to Focus will be refunded pro-rata based upon the number of days remaining in the current quarter, upon request.

If client transfers all assets to another custodian or removes Focus as the designated investment advisor without notice, the advisory agreement in force will be deemed terminated without proper notice and no refund of fees will be required. Focus, in its sole discretion may choose to refund fees as if proper notice was given.

Clients are advised that they may keep any existing shares of DFA or other institutional funds already owned, but new shares may not be purchased without approval from the funds. In

addition, not all custodians will hold DFA funds so clients may experience some limitations in managing these funds after terminating advisory services with Focus.

C. Describe any other types of fees or expenses clients may pay in connection with firm's advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.

See the response to Item 5A&B above.

D. If the firm's clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

Focus's management fee and fixed fee are payable in advance. See the response to Item 5A&B above.

E. If the firm or any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact.

Neither Focus nor its supervised persons receive compensation for the sale of securities or other investment products. Therefore this question is not applicable.

Item 6 Performance-Based Fees and Side-by-Side Management

If the firm or any of its supervised persons accepts performance-based fees, that is, fees based on a share of capital gains on or capital appreciation of the assets of a client, disclose this fact. If the firm or any of its supervised persons manages both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or asset-based fee, disclose this fact.

Focus does not charge performance-based fees.

Item 7 Types of Clients

Describe the types of clients to who the firm generally provide investment advice, such as individuals, trusts, investment companies or pension plans. If the firm has any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

The Advisor will offer its services to individuals, high net-worth individuals, charitable organizations, corporations and other entities.

Minimum Account Size for Advisory Services

Focus has no minimum net-worth or account balance for financial planning or consulting services. Focus normally requires a new account minimum of \$1,000,000 for investment

advisory services. Related household, family and business accounts may be aggregated to meet this minimum, subject to approval by an officer of Focus. Occasionally, this minimum may be waived for unique situations. Client is advised that smaller accounts are more difficult to diversify and rebalance and may not experience the same performance as larger accounts.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets.

Focus' security analysis is based upon a number of factors including those derived from commercially available software technology, securities rating services, general market and financial information, and specific investment analysis requested by clients from time to time. Focus' main source of information includes commercially available investment services, financial newspapers, periodicals, and issue-prepared information. Focus may also use outside consultants to provide expertise in certain circumstances, but Focus is solely responsible for all investment recommendations given to client. On occasion, clients may direct that a particular security be held or traded in their account, and Focus may accommodate their request without taking responsibility for the performance of that security.

Focus does not represent, warrant or imply that the services or methods of analysis used by Focus can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to 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 Focus will provide a better return than other investment strategies.

Client is advised that the investment recommendations and advice offered by Focus are not legal advice or accounting advice. Client should coordinate and discuss the impact of financial advice with their attorney and/or accountant. Client is advised that it is necessary to inform Focus promptly with respect to any changes in Client's financial situation and/or investment goals and objectives. Failure to notify Focus of any such changes could result in investment recommendations not meeting the needs of the client.

The investment strategies the Advisor will implement or offer advice on may include long term purchases of securities held at least for one year, short term purchases for securities sold within a year, margin transactions only to the extent that client accounts that are transferred to the firm have margin and option writing, including covered options, uncovered options or spreading strategies. Focus does not use options; however we will explore this if requested by a client.

Types of Investments

Investment advice may be offered on any investments currently held or under consideration by a client. Recommendations for new investments will typically be limited to those items such as, exchange-listed securities, securities traded over-the-counter, corporate debt securities, certificates of deposit, municipal securities, and United States government securities. Focus advises on the exercise and sale of employer stock options, but does not routinely recommend investing in options, or other derivative products.

Focus does not usually recommend the purchase of public or private partnerships programs or hedge funds due to their illiquidity, lack of transparency, and the fee structure of such programs. Focus does recommend various public real estate investment trusts (REITS) for those clients who desire to include real estate in their asset allocation strategy.

Focus will on occasion, evaluate insurance products that clients already own or which have been recommended to client by other professionals.

Clients need to be aware that investing in securities involves risk of loss that clients need to be prepared to bear.

B. For each significant investment strategy or method of analysis the firm uses, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss the risks in detail. If the firm's primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

The methods of analysis and investment strategies followed by Focus are utilized across all of the Advisors clients, as applicable. One method of analysis or investment strategy is not more significant than the other as the Advisor is considering the client's portfolio, risk tolerance, time horizon and individual goals. However, the client should be aware that with any trading that occurs in the client account, the client may incur transaction costs.

C. If the firm recommends primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.

The Advisor does not primarily recommend a particular type of security.

Item 9 Disciplinary Information

If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of the firm's advisory business or the integrity of the firm's management, disclose all material facts regarding those events.

Clients should be aware that neither Focus nor its management persons have had any legal or disciplinary events, currently or in the past.

Item 10 Other Financial Industry Activities and Affiliations

A. If the firm or any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

Neither Focus nor its management persons are registered or have an application pending to register as either a broker-dealer or a registered representative of a broker-dealer.

B. If the firm or any of its management persons are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.

Neither Focus nor its management persons are registered or have an application pending to register in any capacity mentioned in this question.

C. Describe any relationship or arrangement that is material to the firm's advisory business or to your clients that the firm or any of its management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.

Focus does not currently have any relationships or arrangements that are material to its advisory business or clients with either a broker-dealer, municipal securities dealer, or government securities dealer or broker, investment company or other pooled investment vehicle, including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund" and offshore fund, other investment advisor or financial planner, futures commission merchant, commodity pool operator, or commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer or sponsor of syndicator of limited partnerships.

D. If firm recommends or selects other investment advisers for its clients and receives compensation directly or indirectly from those advisers that creates a material conflict of interest, or if the firm has other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.

Focus does not recommend or select other investment advisers for clients.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. If the firm is an SEC-registered advisor, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any client or prospective client upon request.

Focus has adopted a Code of Ethics (Code) expressing the firm's commitment to ethical conduct. The following is a summary of some of the important elements of Focus' Code:

- The essence of the Code relates to our roles and responsibilities as a fiduciary for our clients.
- As fiduciaries, it is our policy that no person associated with the firm shall prefer his or her own interests over those of our clients.
- The Code prohibits the unauthorized use of material nonpublic information by current or former employees.

- The Code requires pre-approval from the Chief Compliance Officer for any employee transactions in IPOs or private placement transactions.
- The firm requires that all employees provide annual securities holdings reports and quarterly transaction reports that are reviewed by the Chief Compliance Officer to ensure compliance with the Code and other policies and procedures.
- We will provide a copy of our Code of Ethics to any client or prospective client upon request.

B. If firm or its related persons recommends to clients, or buys or sells for client accounts, securities in which the firm or a related person has a material financial interest, describe the firm's practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Neither Focus nor its related persons recommends or buys or sells for clients accounts securities in which the firm or its related persons has a material financial interest.

C. If the firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that the firm or a related person recommends to clients, describe the firm's practice and discuss the conflicts of interest this presents and generally how the firm addresses the conflicts that arise in connection with personal trading.

Focus, or its advisory representatives, may buy or sell securities identical to those recommended to clients for their personal accounts. It is the expressed policy of Focus that no person employed by Focus may purchase or sell any individual security other than exchange traded funds, prior to a transaction being implemented for an advisory account. Normally, all trades, with the exception of certain individual bonds or certificates of deposit are placed electronically. In the case of equities and exchange traded funds placed with market orders, trades are executed almost instantaneously. In the case of mutual funds, all trades will receive the same price as of the close of business.

D. If the firm or related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that the firm or related person buys or sells the same securities for your own account, describe the firm's practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

See the response to Item 11C above.

Item 12 Brokerage Practices

A. Describe the factors the firm considers in selecting or recommending broker/dealers for client transactions and determining the reasonableness of their compensation (e.g. commissions).

Focus regularly reviews the program of its current custodian to ensure that it is consistent with Focus' ability to meet its fiduciary duty to Clients. This platform is essential to Focus' service arrangements and capabilities, and Focus may or may not accept clients who direct the use of other custodians. Focus clients may receive discounted transaction costs on securities trades

placed in their accounts. These discounted transaction costs are normally less than would be charged by national, full-service retail brokers, but may be higher than available with deep discount online brokers.

For certain fixed income transactions, Focus may utilize other outside broker/dealers for occasional client trades in fixed income. Focus will assess the reasonableness of mark up/mark downs based upon the broker/dealers ability to provide professional services, competitive execution, and other assistance that will help Focus to provide investment management services to clients.

1.a.-f. Research and Other Soft Dollar Benefits.

If the firm receives research or other products or services other than execution from a broker/dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose the firm’s practices and discuss the conflicts of interest they create.

Focus’ custodian extends various discounts for services and products that may not be offered to other advisory firms who do not custody assets with this custodian. These may include electronic trading capability, electronic download statements, reduced commissions for client trades, educational and marketing materials, a dedicated client service manager and educational opportunities. Any benefits received by Focus, or its associated persons, do not depend on the amount of brokerage transactions directed to the custodian. Focus also receives free or discounted software or other services from various sources due to its memberships with other organizations such as the AICPA, FPA, NAPFA, etc.

2. Brokerage for Client Referrals.

If the firm considers, in selecting or recommending broker-dealers, whether the firm or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.

Focus does not have any arrangements to compensate or be compensated, by any broker/dealer or third party for client referrals or trades.

3.a. Directed Brokerage.

If the firm routinely recommends, requests or requires that a client direct you to execute transactions through a specified broker-dealer, describe the firm’s practice or policy.

Focus requires that all clients use a particular custodian for execution and/or custodial services for all supervised assets. The custodian is recommended based on criteria such as, but not limited to, reasonableness of commissions charged to the client, tools and services made available to the client and the Advisor, and convenience of access to the account trading and reporting. The client will provide authority to Focus to direct all transactions through that custodian in the investment advisory agreement. Focus participates in the TD Ameritrade Institutional (TDAI) program for advisors. TDAI is a division of TD Ameritrade, member FINRA/SIPC/NFA. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer.

As an investment advisory firm, Focus has a fiduciary duty to seek best execution for client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. Such factors include the security being traded, the price of the trade, the speed of the execution, apparent conditions in the market, and the specific needs of the client. Focus's primary objectives when placing orders for the purchase and sale of securities for client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the custodian/broker. Focus may not necessarily pay the lowest commission or commission equivalent as specific transactions may involve specialized services on the part of the custodian/broker.

3.b If the firm permits a client to direct brokerage, describe your practice.

Not applicable to Focus.

B. Discuss whether and under what conditions the firm aggregates the purchase or sale of securities for various client accounts. If the firm does not aggregate orders when it has the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.

Focus' practice is to analyze and trade client accounts individually utilizing primarily mutual funds and not individual securities, so there is limited opportunity to initiate trades for multiple accounts at the same time. Therefore the practice of aggregation is not applicable.

Item 13 Review of Accounts

A. Indicate whether your firm periodically reviews client accounts or financial plans. If you do, describe the frequency and nature of the review and the titles of the supervised persons who conduct the review.

With regard to traditional fee-for-service financial planning and hourly or project-based financial consulting, Focus does not undertake to provide continuous monitoring services, thus does not provide ongoing reviews of clients' accounts once the financial planning or hourly consulting engagement is completed.

Account assets for Investment Advisory clients are supervised continuously and formally reviewed periodically by designated advisory personnel. Each reviewer will be an Investment Advisor Representative (IAR) of Focus and the number of accounts per reviewer will vary. The review process will include: determining the current asset allocation, evaluating the need for rebalancing and/or tax management activities. Additional account reviews may be triggered by any of the following events: a specific client request, deposit or withdrawal of client funds, or a change in the client's stated goals or objectives.

B. If the firm reviews client accounts on other than a periodic basis, describe the factors that trigger a review.

Not applicable to Focus.

C. Describe the content and indicate the frequency of regular reports the firm provides to clients regarding their accounts. State whether these reports are written.

Periodic reports are not furnished to financial planning or consulting clients.

Investment advisory clients whose accounts Focus directly manages will receive quarterly performance reports that summarize the account's current asset allocation, deposits/withdrawals during the period, and calculate performance for the quarter, year to date, and since inception. These quarterly reports will be furnished in addition to the custodian's regular monthly statements.

No separate reports will be furnished to clients regarding periodic account reviews.

Item 14 Client Referrals and Other Compensation

A. If someone who is not a client provides an economic benefit to the firm for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how the firm addresses the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.

Focus does not currently have any such arrangements.

B. If the firm or a related person directly or indirectly compensates any person who is not a supervised person for client referrals, describe the arrangement and the compensation.

Focus participates in the TD Ameritrade AdvisorDirect referral program. Focus pays fees, not to exceed 25% of the advisory fee that the TDAI referred client pays to Focus, to TD Ameritrade in connection with successful referrals. Focus does not charge any fees or costs that are higher than the standard fee schedule offered to other clients or otherwise charge the client any referral fees paid to TD Ameritrade. Focus will also pay TD Ameritrade the referral fee on any advisory fees received from a referred client's family members, including a spouse, child, or any other family member who resides with the referred client and who becomes a Focus client based on the recommendation of the referred client.

In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, Focus may have been selected based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, the firm's client accounts maintained at TD Ameritrade. Focus has agreed not to solicit AdvisorDirect clients to transfer their accounts away from TD Ameritrade or establish brokerage or custody accounts at other custodians unless required by Focus' fiduciary duties.

Conflicts of interest may arise from Focus' participation in this referral program. However, TD Ameritrade and Focus are separate and unaffiliated. Focus' duty of "best execution" is not eliminated by its participation in the program, and Focus and TD Ameritrade are independent of one another and have neither an agency nor employment relationship.

Any client referred to Focus by TDAI as part of this AdvisorDirect referral program will receive an additional disclosure document specific to this program.

Item 15 Custody

If the firm has custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements.

Focus does not have custody of client funds or securities; however, the client will receive written statements no less than quarterly from the custodian. Focus encourages clients to carefully review their account statements for any inaccuracies. Any discrepancies should be immediately brought to the firm's attention.

Item 16 Investment Discretion

If the firm accepts discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

Focus requires discretionary authority from advisory clients to determine which securities and the amounts of securities that are bought or sold in a client's account. Client's grant this authority by means of a written Investment Advisory Agreement. This agreement does not grant Focus the authority to take custody or possession of any client assets; rather client gives Focus a limited power over the client's account at the selected custodian. Focus does not have authority to accept any commissions from client's investment transactions.

Item 17 Voting Client Securities

A. If the firm has, or will accept authority to vote client securities, briefly describe the voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6 and the applicable state securities rules.

Focus does not accept authority to vote client securities therefore this question is not applicable.

B. If the firm does not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.

All clients agree to retain the right to vote all proxies that are solicited for securities in their accounts. Focus will not vote any proxies for securities in client accounts, nor take any action or render advice with respect to the voting of proxies.

Item 18 Financial Information

A. If the firm requires or solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.

Focus does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

B. If firm has discretionary authority or custody of client funds or securities, or firm requires or solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.

Focus has discretionary authority over client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If Focus does become aware of any such financial condition, this brochure will be updated and clients will be notified.

C. If firm has been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought and the current status.

Not applicable to Focus.

Item 19 Requirements for State-Registered Advisers

Focus is registered with the Securities and Exchange Commission (SEC) and therefore not subject to this Item.

Item 2 Material Changes

Item 4 B. Advisory Services-additional services:

Language was added to include the offering of performance reporting and the offering of advice on non-supervised assets for an agreed upon fee. The offer of this service is entirely at the discretion of the principals of Focus.

Item 7 Types of Clients:

Our minimum account size for accepting new investment clients has been raised from \$500,000 to \$1,000,000 subject to the same exceptions described in Item 5: Fees and Compensation.

Item 12 Brokerage Practices:

The identification of our custodian was changed from Fidelity Institutional Wealth Services to TD Ameritrade, Institutional (TDAI).

Item 14 Client Referrals:

Language was added to describe Focus' participation in TDAI's client referral program, AdvisorDirect. For those clients referred to Focus via this program, Focus will pay TDAI no more than 25% of the fee Focus collects from those clients. These clients will not pay a higher fee to Focus nor receive fewer services. For those clients involved, they will receive a separate disclosure agreement specific to that program.

On November 7, 2011, additional language was added to *Item 14 Client Referrals* to describe Focus' participation in TDAI's Institutional advisor program, including services provided by third-party vendors.

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure. The date of the last annual update of the brochure was: September 1, 2011.

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Brochure

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Item 4 Advisory Business

A. Describe your advisory firm, including how long it has been in business. Identify your principal owner(s).

Focus Wealth Management, Ltd. is a registered investment advisor firm registered with the Securities and Exchange Commission (SEC) securities regulators as of March 21, 2003. The firm was formed on October 1, 2001. The Principal Owners of the advisory firm are: Sandra L. Atkins, President and Helen L. Modly, Executive Vice President and Chief Compliance Officer.

B. Describe the types of advisory services the firm offers. If the firm holds itself out as specializing in a particular type of advisory service, explain the nature of that service in detail. If the firm provides investment advice only with respect to limited types of investments, explain the type of investment advice firm offers and disclose that the advice is limited to those types of investments.

Focus Wealth Management, Ltd., (Focus) provides the following services:

Financial Planning and Consulting Services

Retirement Planning may include advice with respect to accumulating assets for retirement income or advice relative to appropriate distribution of assets during retirement.

Estate Planning may include advice with respect to property ownership, distribution strategies, estate tax reduction, and charitable planning issues.

Investment Planning may include advice with respect to asset allocation, income needs and wealth accumulation techniques. An evaluation of existing investments may be made in terms of their economic and tax characteristics, as well as their suitability for meeting client objectives and risk tolerances.

Employer Stock Planning may include advice with respect to employer non-qualified and incentive stock options, restricted stock and stock bonus plans.

Business Succession Planning may include advice with respect to evaluating strategies for transferring or disposing of closely held business interests due to death, disability, retirement or the decision to sell.

Investment Advisory Services

Focus manages investment portfolios for individuals, high net-worth individuals, charitable organizations, corporations, and other entities. Focus will work with the client to determine the client's investment objectives, tax situation and ability and willingness to assume risk. Focus will evaluate the client's existing investments, if requested to do so. Focus will allocate the client's account among various asset classes taking into consideration our understanding of the client's overall investment objectives.

Focus primarily recommends portfolios consisting of no-load, institutional class funds offered by Dimensional Fund Advisors (DFA) and others, in addition to exchange traded funds (ETF), individual fixed income securities, certificates of deposit, and occasionally, individual equity securities. Focus manages all portfolios on a discretionary basis. Focus acts as a fee-only investment advisor for clients who contract with Focus for investment advisory services. Focus does not receive any commissions or other income in connection with acting as the client's investment advisor except for the fees described below in Item 5A&B.

Additional Services

Focus authors a monthly column for Morningstar.com and Horsesmouth.com and is paid a fee for this service.

Focus may also include non-supervised accounts in the quarterly performance calculations and offer advice on the investment allocation and security selection for these non-supervised accounts for an agreed upon fee. The offer of this service is entirely at the discretion of the principals of Focus.

C. Explain whether (and, if so, how) the firm tailors advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.

Focus will tailor its advisory services to its client's individual needs based on meetings and conversations with clients. If clients wish to impose certain restrictions on investing in certain securities or types of securities, the Advisor will address those restrictions with the client to have a clear understanding of the client's requirements.

D. If the firm participates in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how the firm manages wrap fee accounts and how it manages other accounts, and (2) explain that the firm receives a portion of the wrap fee for its services.

Focus does not provide portfolio management services to wrap fee programs.

E. If the firm manages client assets, disclose the amount of client assets it manages on a discretionary basis and the amount of client assets on a non-discretionary basis. Disclose the date "as of" which it calculated the amounts.

Focus manages client assets and as of September 1, 2011 has the following assets under management:

Discretionary assets:	\$127,800,000	Non discretionary assets: \$ 0
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Item 5 Fees and Compensation

A.&B. Describe how the firm is compensated for its advisory services. Provide the fee schedule. Disclose whether the fees are negotiable. Describe whether the firm deducts fees from clients' assets or bills client for fees incurred. Explain how often firm bills clients or deducts its fee.

Fees for Financial Planning and Consulting Services

Financial planning fees charged vary according to the type of planning required, based upon the scope of the services requested, the complexity of the client's situation, and whether the fee is for a new planning engagement, the renewal of a prior engagement, or hourly consulting.

For hourly consulting, the hourly fee is quoted on the consulting agreement. Focus may, or may not provide a written report depending upon the nature of the engagement.

For financial planning, a fixed fee is quoted on the client's agreement, and 100% of the total fee is normally due from the client upon inception of the engagement. All engagements are expected to be completed within 6 months of inception. The balance of the fee, if any, is payable upon delivery of the written summary of the planning engagement. Fees charged to clients typically range from \$2,500 to \$10,000 or more. For more limited planning, fees may be less. Hourly fees are \$250 per hour. Fees may be discounted at the advisor's discretion.

Clients, at their own discretion, may terminate a financial planning contract without penalty within (5) business days after its execution. If the client is dissatisfied with either the focus or the specificity of the financial planning services delivered, Focus will, if requested by the client in writing within 10 days of receiving the final written summary of the planning engagement, and at no additional cost, make appropriate revisions, or in our sole discretion, refund all or part of the fee which the client has paid. These revisions do not include updating or revising plan models to incorporate data which has changed since the completion of the planning process.

Investment Fee Schedule*

(Applies to entire account balance)

<i>Portfolio Value</i>	<i>Annual Fee</i>
<i>The first</i> \$1,000,000	1.00%
<i>the next</i> \$2,000,000	0.75%
<i>the next</i> \$2,000,000	0.50%
<i>the next</i> \$5,000,000	0.40%
\$10,000,000 and above	negotiable
*Existing clients may be grandfathered under prior fee schedules. Accounts under \$500,000 may be charged 1.25%.	

Focus, at its discretion, may accept new investment accounts under our published minimum or discount advisory fees based upon unique circumstances. These fees may be negotiated by Focus, at its sole discretion.

Advisory fees are normally computed on the entire account balance as of the end of the prior quarter and charged quarterly in advance. Initial charges will be prorated for the current quarter. No fee adjustments will be made for partial withdrawals. If account falls below the minimum account size requirement, Focus reserves the right to terminate advisory services.

Owners or employees of Focus, and their immediate family members living in the same household are not charged an advisory fee for Focus to manage their account. However, immediate family members who are not living within the same household may be charged a discounted investment advisory fee.

Focus' advisory fees will be withdrawn directly from the client's account held by an independent custodian. The custodian of the account is advised in writing of the limitation on Focus's access to the account. The custodian will also send a statement directly to the client, at least quarterly, indicating all the amounts disbursed from the account including the amount of advisory fees paid to Focus.

All fees paid to Focus for investment advisory services are separate and distinct from the fees and expenses charged by any mutual funds and Exchange Traded Funds to their shareholders. These fees and expenses are described in each fund's prospectus. A client could invest in funds directly without the services provided by Focus. In that case, the client would not receive the advice and services provided by Focus which are designed, among other things, to assist the client in determining which funds are most appropriate to each client's financial situation and objectives. Institutional share classes of mutual funds and DFA funds are not normally available to the retail client directly. Accordingly, the client should review both the fees charged by Focus and the fees charged by the funds to fully understand the total amount of fees to be paid.

Termination of Investment Advisory Services

Client may terminate Focus investment advisory services without penalty within (5) business days of signing the investment advisory agreement. In all other situations, the investment advisory agreement is effective for one year and shall be automatically renewed for successive one year terms unless terminated by either the client or Focus with (30) days written or verbal notice. Upon proper notice of termination, any unearned fees client has paid to Focus will be refunded pro-rata based upon the number of days remaining in the current quarter, upon request.

If client transfers all assets to another custodian or removes Focus as the designated investment advisor without notice, the advisory agreement in force will be deemed terminated without proper notice and no refund of fees will be required. Focus, in its sole discretion may choose to refund fees as if proper notice was given.

Clients are advised that they may keep any existing shares of DFA or other institutional funds already owned, but new shares may not be purchased without approval from the funds. In

addition, not all custodians will hold DFA funds so clients may experience some limitations in managing these funds after terminating advisory services with Focus.

C. Describe any other types of fees or expenses clients may pay in connection with firm's advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.

See the response to Item 5A&B above.

D. If the firm's clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

Focus's management fee and fixed fee are payable in advance. See the response to Item 5A&B above.

E. If the firm or any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact.

Neither Focus nor its supervised persons receive compensation for the sale of securities or other investment products. Therefore this question is not applicable.

Item 6 Performance-Based Fees and Side-by-Side Management

If the firm or any of its supervised persons accepts performance-based fees, that is, fees based on a share of capital gains on or capital appreciation of the assets of a client, disclose this fact. If the firm or any of its supervised persons manages both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or asset-based fee, disclose this fact.

Focus does not charge performance-based fees.

Item 7 Types of Clients

Describe the types of clients to who the firm generally provide investment advice, such as individuals, trusts, investment companies or pension plans. If the firm has any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

The Advisor will offer its services to individuals, high net-worth individuals, charitable organizations, corporations and other entities.

Minimum Account Size for Advisory Services

Focus has no minimum net-worth or account balance for financial planning or consulting services. Focus normally requires a new account minimum of \$1,000,000 for investment

advisory services. Related household, family and business accounts may be aggregated to meet this minimum, subject to approval by an officer of Focus. Occasionally, this minimum may be waived for unique situations. Client is advised that smaller accounts are more difficult to diversify and rebalance and may not experience the same performance as larger accounts.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets.

Focus' security analysis is based upon a number of factors including those derived from commercially available software technology, securities rating services, general market and financial information, and specific investment analysis requested by clients from time to time. Focus' main source of information includes commercially available investment services, financial newspapers, periodicals, and issue-prepared information. Focus may also use outside consultants to provide expertise in certain circumstances, but Focus is solely responsible for all investment recommendations given to client. On occasion, clients may direct that a particular security be held or traded in their account, and Focus may accommodate their request without taking responsibility for the performance of that security.

Focus does not represent, warrant or imply that the services or methods of analysis used by Focus can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to 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 Focus will provide a better return than other investment strategies.

Client is advised that the investment recommendations and advice offered by Focus are not legal advice or accounting advice. Client should coordinate and discuss the impact of financial advice with their attorney and/or accountant. Client is advised that it is necessary to inform Focus promptly with respect to any changes in Client's financial situation and/or investment goals and objectives. Failure to notify Focus of any such changes could result in investment recommendations not meeting the needs of the client.

The investment strategies the Advisor will implement or offer advice on may include long term purchases of securities held at least for one year, short term purchases for securities sold within a year, margin transactions only to the extent that client accounts that are transferred to the firm have margin and option writing, including covered options, uncovered options or spreading strategies. Focus does not use options; however we will explore this if requested by a client.

Types of Investments

Investment advice may be offered on any investments currently held or under consideration by a client. Recommendations for new investments will typically be limited to those items such as, exchange-listed securities, securities traded over-the-counter, corporate debt securities, certificates of deposit, municipal securities, and United States government securities. Focus advises on the exercise and sale of employer stock options, but does not routinely recommend investing in options, or other derivative products.

Focus does not usually recommend the purchase of public or private partnerships programs or hedge funds due to their illiquidity, lack of transparency, and the fee structure of such programs. Focus does recommend various public real estate investment trusts (REITS) for those clients who desire to include real estate in their asset allocation strategy.

Focus will on occasion, evaluate insurance products that clients already own or which have been recommended to client by other professionals.

Clients need to be aware that investing in securities involves risk of loss that clients need to be prepared to bear.

B. For each significant investment strategy or method of analysis the firm uses, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss the risks in detail. If the firm's primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

The methods of analysis and investment strategies followed by Focus are utilized across all of the Advisors clients, as applicable. One method of analysis or investment strategy is not more significant than the other as the Advisor is considering the client's portfolio, risk tolerance, time horizon and individual goals. However, the client should be aware that with any trading that occurs in the client account, the client may incur transaction costs.

C. If the firm recommends primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.

The Advisor does not primarily recommend a particular type of security.

Item 9 Disciplinary Information

If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of the firm's advisory business or the integrity of the firm's management, disclose all material facts regarding those events.

Clients should be aware that neither Focus nor its management persons have had any legal or disciplinary events, currently or in the past.

Item 10 Other Financial Industry Activities and Affiliations

A. If the firm or any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

Neither Focus nor its management persons are registered or have an application pending to register as either a broker-dealer or a registered representative of a broker-dealer.

B. If the firm or any of its management persons are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.

Neither Focus nor its management persons are registered or have an application pending to register in any capacity mentioned in this question.

C. Describe any relationship or arrangement that is material to the firm's advisory business or to your clients that the firm or any of its management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.

Focus does not currently have any relationships or arrangements that are material to its advisory business or clients with either a broker-dealer, municipal securities dealer, or government securities dealer or broker, investment company or other pooled investment vehicle, including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund" and offshore fund, other investment advisor or financial planner, futures commission merchant, commodity pool operator, or commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer or sponsor of syndicator of limited partnerships.

D. If firm recommends or selects other investment advisers for its clients and receives compensation directly or indirectly from those advisers that creates a material conflict of interest, or if the firm has other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.

Focus does not recommend or select other investment advisers for clients.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. If the firm is an SEC-registered advisor, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any client or prospective client upon request.

Focus has adopted a Code of Ethics (Code) expressing the firm's commitment to ethical conduct. The following is a summary of some of the important elements of Focus' Code:

- The essence of the Code relates to our roles and responsibilities as a fiduciary for our clients.
- As fiduciaries, it is our policy that no person associated with the firm shall prefer his or her own interests over those of our clients.
- The Code prohibits the unauthorized use of material nonpublic information by current or former employees.

- The Code requires pre-approval from the Chief Compliance Officer for any employee transactions in IPOs or private placement transactions.
- The firm requires that all employees provide annual securities holdings reports and quarterly transaction reports that are reviewed by the Chief Compliance Officer to ensure compliance with the Code and other policies and procedures.
- We will provide a copy of our Code of Ethics to any client or prospective client upon request.

B. If firm or its related persons recommends to clients, or buys or sells for client accounts, securities in which the firm or a related person has a material financial interest, describe the firm's practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Neither Focus nor its related persons recommends or buys or sells for clients accounts securities in which the firm or its related persons has a material financial interest.

C. If the firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that the firm or a related person recommends to clients, describe the firm's practice and discuss the conflicts of interest this presents and generally how the firm addresses the conflicts that arise in connection with personal trading.

Focus, or its advisory representatives, may buy or sell securities identical to those recommended to clients for their personal accounts. It is the expressed policy of Focus that no person employed by Focus may purchase or sell any individual security other than exchange traded funds, prior to a transaction being implemented for an advisory account. Normally, all trades, with the exception of certain individual bonds or certificates of deposit are placed electronically. In the case of equities and exchange traded funds placed with market orders, trades are executed almost instantaneously. In the case of mutual funds, all trades will receive the same price as of the close of business.

D. If the firm or related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that the firm or related person buys or sells the same securities for your own account, describe the firm's practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

See the response to Item 11C above.

Item 12 Brokerage Practices

A. Describe the factors the firm considers in selecting or recommending broker/dealers for client transactions and determining the reasonableness of their compensation (e.g. commissions).

Focus regularly reviews the program of its current custodian to ensure that it is consistent with Focus' ability to meet its fiduciary duty to Clients. This platform is essential to Focus' service arrangements and capabilities, and Focus may or may not accept clients who direct the use of other custodians. Focus clients may receive discounted transaction costs on securities trades

placed in their accounts. These discounted transaction costs are normally less than would be charged by national, full-service retail brokers, but may be higher than available with deep discount online brokers.

For certain fixed income transactions, Focus may utilize other outside broker/dealers for occasional client trades in fixed income. Focus will assess the reasonableness of mark up/mark downs based upon the broker/dealer's ability to provide professional services, competitive execution, and other assistance that will help Focus to provide investment management services to clients.

1.a.-f. Research and Other Soft Dollar Benefits.

If the firm receives research or other products or services other than execution from a broker/dealer or a third party in connection with client securities transactions ("soft dollar benefits"), disclose the firm's practices and discuss the conflicts of interest they create.

Focus' custodian extends various discounts for services and products that may not be offered to other advisory firms who do not custody assets with this custodian. These may include electronic trading capability, electronic download statements, reduced commissions for client trades, educational and marketing materials, a dedicated client service manager and educational opportunities. Any benefits received by Focus, or its associated persons, do not depend on the amount of brokerage transactions directed to the custodian. Focus also receives free or discounted software or other services from various sources due to its memberships with other organizations such as the AICPA, FPA, NAPFA, etc.

2. Brokerage for Client Referrals.

If the firm considers, in selecting or recommending broker-dealers, whether the firm or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.

Focus does not have any arrangements to compensate or be compensated, by any broker/dealer or third party for client referrals or trades.

3.a. Directed Brokerage.

If the firm routinely recommends, requests or requires that a client direct you to execute transactions through a specified broker-dealer, describe the firm's practice or policy.

Focus participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Focus receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, Focus participates in TD Ameritrade's institutional customer program and Focus may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Focus's participation in the program and the investment advice we give to

Clients, although Focus receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Focus participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information, access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Focus by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Focus's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Focus but many not benefit its Client accounts. These products or services may assist Focus in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Focus manage and further develop its business enterprise. The benefits received by Focus or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to Clients, Focus endeavors at all times to put the interests of its clients first. Clients should be aware, however the receipt of economic benefits by Focus or its related personas in and of itself creates a potential conflict of interest and may indirectly Focus's choice of TD Ameritrade for custody and brokerage services.

As an investment advisory firm, Focus has a fiduciary duty to seek best execution for client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. Such factors include the security being traded, the price of the trade, the speed of the execution, apparent conditions in the market, and the specific needs of the client. Focus's primary objectives when placing orders for the purchase and sale of securities for client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the custodian/broker. Focus may not necessarily pay the lowest commission or commission equivalent as specific transactions may involve specialized services on the part of the custodian/broker.

3.b If the firm permits a client to direct brokerage, describe your practice.

Not applicable to Focus.

B. Discuss whether and under what conditions the firm aggregates the purchase or sale of securities for various client accounts. If the firm does not aggregate orders when it has the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.

Focus' practice is to analyze and trade client accounts individually utilizing primarily mutual funds and not individual securities, so there is limited opportunity to initiate trades for multiple

accounts at the same time in order to seek potential cost savings. Therefore the practice of aggregation is not applicable.

Item 13 Review of Accounts

A. Indicate whether your firm periodically reviews client accounts or financial plans. If you do, describe the frequency and nature of the review and the titles of the supervised persons who conduct the review.

With regard to traditional fee-for-service financial planning and hourly or project-based financial consulting, Focus does not undertake to provide continuous monitoring services, thus does not provide ongoing reviews of clients' accounts once the financial planning or hourly consulting engagement is completed.

Account assets for Investment Advisory clients are supervised continuously and formally reviewed periodically by designated advisory personnel. Each reviewer will be an Investment Advisor Representative (IAR) of Focus and the number of accounts per reviewer will vary. The review process will include: determining the current asset allocation, evaluating the need for rebalancing and/or tax management activities. Additional account reviews may be triggered by any of the following events: a specific client request, deposit or withdrawal of client funds, or a change in the client's stated goals or objectives.

B. If the firm reviews client accounts on other than a periodic basis, describe the factors that trigger a review.

Not applicable to Focus.

C. Describe the content and indicate the frequency of regular reports the firm provides to clients regarding their accounts. State whether these reports are written.

Periodic reports are not furnished to financial planning or consulting clients.

Investment advisory clients whose accounts Focus directly manages will receive quarterly performance reports that summarize the account's current asset allocation, deposits/withdrawals during the period, and calculate performance for the quarter, year to date, and since inception. These quarterly reports will be furnished in addition to the custodian's regular monthly statements.

No separate reports will be furnished to clients regarding periodic account reviews.

Item 14 Client Referrals and Other Compensation

A. If someone who is not a client provides an economic benefit to the firm for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how the firm addresses the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.

Focus does not currently have any such arrangements.

B. If the firm or a related person directly or indirectly compensates any person who is not a supervised person for client referrals, describe the arrangement and the compensation.

As disclosed under Item 12, above, Focus may receive client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, Focus may have been selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with Focus and there is no employee or agency relationship between us. TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise Focus and has no responsibility for Focus's management of client portfolios or Focus's other advice or services. Focus pays TD Ameritrade an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to Focus ("Solicitation Fee"). Advisor will also pay TD Ameritrade the Solicitation Fee on any advisory fees received by Focus from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hired Focus on the recommendation of such referred client. Focus will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients. Clients who hire Focus as part of the Advisor Direct program will receive the TD Ameritrade Advisor Direct Disclosure and Acknowledgement form which contains information regarding any additional fees paid directly or indirectly to TD Ameritrade.

Focus's participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through Advisor Direct to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain client referrals from TD Ameritrade, Focus may have an incentive to recommend to clients that the assets under management by Focus be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. Additionally, Focus has agreed not to solicit clients referred to it through Advisor Direct to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Focus's participation in Advisor Direct does not diminish its duty to seek best execution of trades for clients accounts.

As disclosed under Item 12 above, Advisor participates in TD Ameritrade's Institutional advisor program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the Program and the investment advice it gives to its Clients, although Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research-related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading(which provides the ability to aggregate securities transactions for execution and then

allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third-party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

Advisor may receive succession planning, practice valuation and equity management services from third-party vendors through Advisor's participation in the TD Ameritrade Institutional Equity Management Program. In addition to meeting the minimum eligibility criteria for participation in the TD Ameritrade Institutional Equity Management Program, Advisor may have been selected to participate in the TD Ameritrade Institutional Equity Management Program based on the amount and potential profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with Advisor and there is no employee or agency relationship between TD Ameritrade and Advisor. TD Ameritrade has established the TD Ameritrade Institutional Equity Management Program as a means of assisting independent unaffiliated Advisors to grow and maintain their respective investment advisory business. TD Ameritrade does not supervise Advisor and has no responsibility for Advisor's management of client portfolios or Advisor's other advice of services to clients.

Advisor's participation in the TD Ameritrade Institutional Equity Management Program raises potential conflicts of interest. Advisor may encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to participate in the TD Ameritrade Institutional Equity Management Program, Advisor may have an incentive to recommend to clients that the assets under management by Advisor be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. Advisor's participation in the TD Ameritrade Institutional Equity Management Program does not relieve the Advisor of the duty to seek best execution of trades for client accounts.

Item 15 Custody

If the firm has custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements.

Focus does not have custody of client funds or securities; however, the client will receive written statements no less than quarterly from the custodian. Focus encourages clients to carefully review their account statements for any inaccuracies. Any discrepancies should be immediately brought to the firm's attention.

Item 16 Investment Discretion

If the firm accepts discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

Focus requires discretionary authority from advisory clients to determine which securities and the amounts of securities that are bought or sold in a client's account. Client's grant this authority by means of a written Investment Advisory Agreement. This agreement does not grant Focus the authority to take custody or possession of any client assets; rather client gives Focus a limited power over the client's account at the selected custodian. Focus does not have authority to accept any commissions from client's investment transactions.

Item 17 Voting Client Securities

A. If the firm has, or will accept authority to vote client securities, briefly describe the voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6 and the applicable state securities rules.

Focus does not accept authority to vote client securities therefore this question is not applicable.

B. If the firm does not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.

All clients agree to retain the right to vote all proxies that are solicited for securities in their accounts. Focus will not vote any proxies for securities in client accounts, nor take any action or render advice with respect to the voting of proxies.

Item 18 Financial Information

A. If the firm requires or solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.

Focus does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

B. If firm has discretionary authority or custody of client funds or securities, or firm requires or solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.

Focus has discretionary authority over client accounts and is not aware of any financial condition that will likely impair its ability to meet contractual commitments to clients. If Focus does become aware of any such financial condition, this brochure will be updated and clients will be notified.

C. If firm has been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought and the current status.

Not applicable to Focus.

Item 19 Requirements for State-Registered Advisers

Focus is registered with the Securities and Exchange Commission (SEC) and therefore not subject to this Item.