

Firm Brochure

(Part 2A of Form ADV)



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This brochure provides information about the qualifications and business practices of highWAY Financial Networks, Inc. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at: 530-223-1222, or by email at: info@highWAYfinancial.com. 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 highWAY Financial Networks, Inc. is available on the SEC's website at www.adviserinfo.sec.gov

September 29, 2011

Item 2: Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

Material Changes since the Last Update

Since the last update on August 11, 2011, the firm is adding Proxy Voting services.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: 530-223-1222 or by email at: info@highWAYfinancial.com.

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Item 4: Advisory Business

Firm Description

highWAY Financial Networks, Inc. ("highWAY") was founded in 2001. Bryan John Erickson is the Chief Compliance Officer, President and majority owner.

All material conflicts of interest under CCR Section 260.238(k) are disclosed in this brochure regarding highWAY, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

highWAY provides personalized confidential financial planning, college planning and investment management to individuals, institutional clients, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

highWAY is a fee based financial and college planning and investment management firm. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products.

Investment advice is provided on a non-discretionary basis. When the account is being managed as non-discretionary, the client makes the final decision on investment selection. highWAY does not act as a custodian of client assets.

A written evaluation of each client's initial situation is provided to the client, often in the form of a net worth statement or risk analysis. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

Types of Advisory Services

highWAY provides investment supervisory services, also known as asset management services and furnishes financial planning and investment advice through consultations.

On more than an occasional basis, highWAY furnishes advice to clients on matters not involving securities, such as taxation issues and trust services that often include estate planning.

ASSET MANAGEMENT

highWAY offers non-discretionary direct asset management services to advisory clients. highWAY will offer clients ongoing portfolio management services through

determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, assets allocation, portfolio monitoring and the overall investment program will be based on the above factors.

highWAY's *Prudent Investor Essentials*SM portfolios are generally comprised mutual funds and/or Exchange Traded Funds (ETF's). highWAY applies both an academic and practical analysis of the Modern Portfolio Theory to build risk-managed portfolios that will endure throughout a client's lifetime. In addition, highWAY may employ the analysis and information provided by third-party advisers to evaluate investment products.

highWAY's *Fixed Income* portfolios are comprised of fixed income investment instruments including bonds, bills, notes, certificates of deposit, commercial paper, money market funds and other obligations issued by governments, municipalities and corporations. Mutual funds and Exchange Traded Funds (ETF's) that invest in fixed income assets can be included in the fixed income portfolios

FINANCIAL PLANNING AND CONSULTING

If financial planning services are applicable, the client will compensate highWAY on an hourly fee basis described in detail under "Fees and Compensation" section of this brochure. Services include but are not limited to a thorough review of all applicable topics including Wills, Estate Plan/Trusts, Investments, Taxes, College Planning and Insurance. When conflict of interest exists between the interests of the investment advisor and the interests of the client, the client is under no obligation to act upon the investment advisor's recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through highWAY. Financial plans will be completed and delivered inside of 6 months. Clients may terminate advisory services with 30 days written notice.

COLLEGE PLANNING - College Cash Solutions

highWAY offers college planning services for a flat fee as described in detail under "Fees and Compensation" section of this brochure. There are three levels of service: Basic, Standard and Advanced Placement. The Basic Package services include but are not limited to: college funding strategies and financial and data gathering and processing. The Standard Package includes all of the services of the Basic Package plus student counseling regarding career search and a personalized student interview. The Advanced Placement Package includes all the services of the Standard Package plus additional services for student counseling including prep courses for the SAT and ACT, college scholarship eligibility report, essays reviews and a personalized analysis on chances of enrollment at up to 4 colleges.

The services for each package will be listed in detail in the client agreement. The fees for each of the packages is described in detail under "Fees and Compensation" section of this brochure.

Client Tailored Services and Client Imposed Restrictions

The goals and objectives for each client are documented in our client files. Investment strategies are created that reflect the stated goals and objective. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without written client consent.

Wrap Fee Programs

highWAY does not participate in wrap fee programs.

Client Assets under Management

As of August 31st, 2011, highWAY has approximately \$17,000,000 of client assets under management on a non-discretionary basis.

Item 5: Fees and Compensation

Method of Compensation and Fee Schedule

highWAY bases its fees on a percentage of assets under management, hourly charges, fixed fees and solicitor fees from third party money managers.

ASSET MANAGEMENT

highWAY offers non-discretionary direct asset management services to advisory clients. highWAY will offer clients ongoing portfolio management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, assets allocation, portfolio monitoring and the overall investment program will be based on the above factors.

Fees for these services will be based on a percentage of Assets Under Management as follows:

Prudent Investor Essentials			
Assets Under Management	Management Fee	Advisory Fee	Total Fee
First \$500,000	0.30%	1.30%	1.60%
\$500,000 - \$1,000,000	0.30%	1.10%	1.40%
\$1,000,001 - \$2,000,000	0.30%	0.90%	1.20%
\$2,000,001 - \$3,000,000	0.30%	0.70%	1.00%
\$3,000,001 – Over	0.30%	0.50%	0.80%

Fixed Income Portfolio			
Assets Under Management	Management Fee	Advisory Fee	Total Fee
First \$1,000,000	0.20%	0.30%	0.50%
\$1,000,001 - \$2,000,000	0.20%	0.25%	0.45%
\$2,000,001 - \$3,000,000	0.20%	0.20%	0.40%
\$3,000,001 – Over	0.20%	0.15%	0.35%

Asset based management fees will range are charged quarterly in advance based on the values of assets under management at the beginning of the calendar quarter. Investment advisory services begin with the effective date of the Agreement, which is the date the client signs the Investment Advisory Agreement. For that calendar quarter, fees will be adjusted pro rata based upon the number of calendar days remaining in the calendar quarter the Agreement was effective. Fees will generally be deducted directly from the client's brokerage account pursuant to a written agreement. highWAY reserves the right to adjust the fee schedule and a minimum account fee. In some cases, negotiation of fees may result in different fees being charged for similar services and may be less than the stated fee schedule. Lower fees for comparable services may be available from other sources.

Either highWAY or the client may terminate the Investment Advisory Agreement at any time upon thirty (30) days written notice to the other party. The client is responsible to pay for any services rendered until the termination of the Agreement. Upon termination, fees charged for advisory services will be pro-rated and a refund for any unearned advisory fees will be issued. The client may cancel the Agreement without penalty within the first five days after signing the agreement.

FINANCIAL PLANNING and CONSULTING

FIXED FEES

Financial Planning Services are offered based on a negotiable fixed fee with a maximum fee of \$20,000 based on complexity and unique client needs. Prior to the planning process the client will be provided an estimated plan fee. Services include but are not limited to a thorough review of all applicable topics including Wills, Estate Plan/Trusts, Investments, Taxes, College Planning and Insurance. The payments are received in two installments: half at the commencement of the planning process, balance of the final payment is due upon delivery of completed plan. Client may cancel within five (5) days of signing Agreement for a full refund. If the client cancels after five (5) days, any unearned fees will be refunded to the client.

HOURLY FEES

Financial Planning Services are offered based on an hourly fee of \$250 per hour. Prior to the planning process the client will be provided an estimated plan fee. Services include but are not limited to a thorough review of all applicable topics including Wills, Estate Plan/Trusts, Investments, Taxes, and Insurance. The payments are received in two installments: half at the commencement of the planning process, balance of the final payment is due upon delivery of completed plan. Client may cancel within five (5) days of signing Agreement for a full refund. If the client cancels after five (5) days, any unearned fees will be refunded to the client.

COLLEGE PLANNING – College Cash Solutions

FIXED FEES

College Planning is offered based on a negotiable fixed enrollment fee payable in advance as follows: Basic Package is \$995, Standard Package is \$1495 with an additional \$29 per month/per student charged directly by the College Planning Network for up to 48 months, Advanced Placement Package is \$1995 with an additional \$29 per month/per student charged directly by the College Planning Network for up to 48 months. Plans are completed within 30 days.

Client may cancel within five (5) days of signing Agreement for a full refund. If the client cancels after five (5) days, any unearned fees will be refunded to the client. The College Planning Network fee may be cancelled at any time.

Client Payment of Fees

Investment management fees are billed quarterly, in advance, meaning that we invoice you before the three-month billing period has started. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account.

Fees for financial plans are billed 50% in advance with the balance due upon delivery of the financial plan.

Fees for college planning services are billed in advance.

Additional Client Fees Charged

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

highWAY, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Prepayment of Client Fees

Investment management fees are billed quarterly, in advance, meaning that we invoice you before the three-month billing period has started. Payment in full is expected upon invoice presentation.

Financial Plans are billed 50% in advance. Fees for college planning services are billed in advance. Client may cancel within five business days of signing the Investment Advisory Agreement for a full refund. If cancellation occurs after five business days, client will be entitled to a pro-rata refund based on work completed.

External Compensation for the Sale of Securities to Clients

highWAY does not receive any external compensation for the sale of securities to clients, nor do any of the investment advisor representatives of highWAY.

Item 6: Performance-Based Fees

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

highWAY does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

Item 7: Types of Clients

Description

highWAY generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, or charitable organizations, corporations or business entities.

Client relationships vary in scope and length of service.

Account Minimums

highWAY charges a minimum annual account fee of \$50 for accounts valued less than \$25,000. However, highWAY reserves the discretion to waive the minimum annual account fee and minimum annual fee as it deems appropriate.

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

Methods of Analysis and Investment Strategies

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis. Investing in securities involves risk of loss that clients should be prepared to bear.

highWAY applies both an academic and practical analysis of the Modern Portfolio Theory to build risk-managed portfolios that will endure throughout a client's lifetime. In addition, highWAY may employ the analysis and information provided by third-party advisers to evaluate investment products.

The main sources of information include financial newspapers and magazines, research materials prepared by others and corporate rating services.

Investment Strategy and Method of Analysis Material Risks

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time.

Each client executes an Investment Policy Statement or Risk Tolerance that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, and option writing (including covered options, uncovered options or spreading strategies).

Security Specific Material Risks

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risk:* The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

- *Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Item 9: Disciplinary Information

Criminal or Civil Actions

The firm and its management have not been involved in any criminal or civil action.

Administrative Enforcement Proceedings

The firm and its management have not been involved in administrative enforcement proceedings.

Self Regulatory Organization Enforcement Proceedings

The firm and its management have not been involved in legal or disciplinary events related to past or present investment clients.

Item 10: Other Financial Industry Activities and Affiliations

Broker-Dealer or Representative Registration

Neither highWAY nor any of its employees are registered representatives of a broker-dealer.

Futures or Commodity Registration

Neither highWAY nor its employees are registered or has an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Ashby Financial Services ("AFS") is a wholly owned subsidiary of highWAY. AFS is a registered investment advisor registered with the State of California. LPG Insurance Services, Inc. ("LPGIS") is also a wholly owned subsidiary of highWAY and offers a range of insurance products including life, long term care, critical care and annuities. Employees of LPGIS are licensed insurance agents. From time to time they will offer clients products from these activities.

The services offered by LPGIS represent potential conflicts of interest because it gives them an incentive to recommend products based on the commission or fee amount received. This conflict is mitigated by the fact that investment advisor representatives of highWAY have a fiduciary responsibility to act in the best interest of his clients. Clients are not required to purchase any products or services. Clients have the option to purchase these products and services through another insurance agent of their choosing..

Recommendations or Selections of Other Investment Advisors and Conflicts of Interest

highWAY may at times utilize the services of Third Party Money Managers to manage client accounts. In such circumstances, highWAY will share in the Third Party asset management fee. This situation creates a conflict of interest. However, when referring clients to a third party money manager, the client's best interest will be the main determining factor of highWAY. These fees do not include brokerage fees that may be assessed by the custodial broker dealer. Fees for these services will be based on a percentage of assets under management not to exceed any limit imposed by any regulatory agency. The final fee schedule will be attached to Exhibit D in highWAY's Investment Advisory Agreement.

Prior to referring any clients to third party advisors, highWAY will make sure that they are properly licensed or notice filed with the Department of Corporations.

This relationship will be disclosed to the client in each contract between highWAY and Third Party Money Manager. highWAY does not charge additional management fees for Third Party managed account services. Client's signature is required to confirm consent for services within Third Party Investment Agreement. Client will initial highWAY's Investment Advisory Agreement to acknowledge receipt of Third Party fee Schedule and required documents including ADV2 disclosures.

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

Code of Ethics Description

The employees of highWAY have committed to a Code of Ethics. The purpose of our Code of Ethics is to ensure that when employees buy or sell securities for their personal account, they do not create actual or potential conflict with our clients. We do not allow any employees to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our clients.

The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

Investment Recommendations Involving a Material Financial Interest and Conflict of Interest

highWAY and its employees do not recommend to clients securities in which we have a material financial interest.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

highWAY and its employees may buy or sell securities that are also held by clients. In order to avoid potential conflicts of interest such as front running, employees are

required to disclose all reportable securities transactions as well as provide highWAY with copies of their brokerage statements.

The Chief Compliance Officer of highWAY is Bryan Erickson. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets and that clients of the firm receive preferential treatment. Since most employee trades are in products such as mutual funds, government securities, bonds or are small in size, they do not impact the securities markets.

Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

highWAY does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist.

Item 12: Brokerage Practices

Factors Used to Select Broker-Dealers for Client Transactions

highWAY may recommend the use of a particular broker-dealer or may utilize a broker-dealer of the client's choosing. highWAY will select appropriate brokers based on a number of factors including but not limited to their relatively low transaction fees and reporting ability. highWAY relies on its broker to provide its execution services at the best prices available. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by highWAY.

- *Directed Brokerage*
In circumstances where a client directs highWAY to use a certain broker-dealer, highWAY still has a fiduciary duty to its clients. The following may apply with Directed Brokerage: highWAY's inability to negotiate commissions, to obtain volume discounts, there may be a disparity in commission charges among clients, and potential conflicts of interests arising from brokerage firm referrals.
- *Best Execution*
Investment advisors who manage or supervise client portfolios on a discretionary basis have a fiduciary obligation of best execution. highWAY does not exercise discretion over client assets.
- *Soft Dollar Arrangements*
highWAY utilizes the services of custodial broker dealers. Economic benefits are received by highWAY which would not be received if highWAY did not give investment advice to clients. These benefits include: A dedicated trading desk, a dedicated service group and an account services manager dedicated to highWAY's accounts, ability to conduct "block" client trades, electronic download of trades, balances and positions, duplicate and batched client statements, and the ability to have advisory fees directly deducted from client accounts.

Aggregating Securities Transactions for Client Accounts

highWAY does not trade for its or its clients accounts and therefore aggregation of securities transactions is not applicable.

Item 13: Review of Accounts

Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Generally client accounts will be reviewed at the inception of the client relationship and on a recurring basis thereafter as agreed to with the client. Account reviews will be performed by the highWAY representative responsible for the client account with assistance from other members of highWAY professional staff. These reviews are designed to monitor and analyze client transactions, positions, and investment levels. Particular attention is given to changes in company fundamentals, industry outlook, market outlook and price levels, allocation drift and manager style drift.

Review of Client Accounts on Non-Periodic Basis

Other conditions that may trigger a review of the client's accounts are changes in the tax laws, new investment information, and changes in a client's own situation.

Content of Client Provided Reports and Frequency

Clients receive account statements no less than quarterly for managed accounts. Account reports are issued by the Advisor's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs.

Item 14: Client Referrals and Other Compensation

Economic benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest

highWAY does not receive any economic benefits from external sources.

Advisory Firm Payments for Client Referrals

highWAY does not compensate for client referrals.

Item 15: Custody

Account Statements

All assets are held at qualified custodians which means the custodians provide account statements directly to clients at their address of record at least quarterly. Clients are urged to compare the account statements received directly from their custodians to the performance report statements prepared by highWAY.

Item 16: Investment Discretion

Discretionary Authority for Trading

highWAY accepts non-discretionary authority to manage securities accounts on behalf of clients. For non-discretionary clients, highWAY obtains specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. highWAY consults with the client prior to each trade.

The client approves the custodian to be used and the commission rates paid to the custodian. highWAY does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

Item 17: Voting Client Securities

Proxy Votes

highWAY Financial Networks (“highWAY”) will vote proxies on behalf of a client if, in its investment advisory agreement (“IAA”) with highWAY, the client has delegated to highWAY the authority to vote proxies on its behalf. With respect to IAAs executed with clients prior to June 30, 2004, highWAY assumes that, the proxy voting authority assigned by highWAY at account setup is accurate unless the client or their representative has instructed highWAY otherwise. highWAY has adopted and implemented these policies and procedures (“Proxy Voting Procedures”) to ensure that, where it has voting authority, proxy matters are handled in the best interest of clients, in accordance with highWAY’s fiduciary duties and SEC rule 206(4)-6 under the Investment Advisers Act of 1940. In addition to SEC requirements governing advisers, its Proxy Voting Procedures reflect the long-standing fiduciary standards and responsibilities for ERISA accounts set out in Department of Labor Bulletin 94-2, 29 C.F.R. 2509.94-2 (July 29, 1994).

highWAY utilizes the services of a third party Proxy Voting Service to administer the vote on proxies for those accounts for which highWAY has voting authority. The Proxy Voting Service has a copy of highWAY’s Proxy Voting Guidelines and votes on each proxy based on highWAY’s Proxy Voting Guidelines. highWAY generally follows its Proxy Voting Guidelines unless highWAY determines that the client’s best interests are served by voting otherwise.

The following policies will apply when voting proxies on behalf of accounts for which highWAY has voting authority.

1. *Client’s Best Interest.* highWAY’s Proxy Voting Procedures are designed and implemented in a way that is reasonably expected to ensure that proxy matters are conducted in the best interest of clients. When considering the best interest of clients, highWAY has determined that this means the best investment interest of its clients as shareholders of the issuer. highWAY has established its Procedures to assist it in making its proxy voting decisions with a view to enhancing the value of its clients’ interests in an issuer over the period during which it expects its clients to hold their investments. highWAY will vote against proposals that it

believes could adversely impact the current or potential market value of the issuer's securities during the expected holding period.

2. *Client Proxy Voting Policies.* Rather than delegating proxy voting authority to highWAY, a client may (1) retain the authority to vote proxies on securities in its account, (2) delegate voting authority to another party or (3) instruct highWAY to vote proxies according to a policy that differs from that of highWAY. highWAY will honor any of these instructions if the client includes the instruction in writing in its IAA or in a written instruction from a person authorized under the IAA to give such instructions. If highWAY incurs additional costs or expenses in following any such instruction, highWAY may request payment of such additional costs or expenses from the client.
3. *Stated Policies.* These policies identify issues where highWAY will (1) generally vote in favor of a proposal – FOR; (2) generally vote against a proposal – AGAINST; (3) specifically consider its vote for or against a proposal – Case By Case (CBC). However, these policies are guidelines and each vote may be cast differently than the stated policy, taking into consideration all relevant facts and circumstances at the time of the vote.
4. *Abstain from Voting.* Our policy is to vote on issues and not to abstain from voting on issues presented unless the client's best interest requires abstention. This may occur from time to time, for example, where the impact of the expected costs involved in voting exceeds the expected benefits of the vote such as where foreign corporations follow shareblocking practices or where proxy material is not available in English.
5. *Oversight.* All issues presented for shareholder vote will be considered under the oversight of highWAY's Proxy Voting Designee. All nonroutine issues will be directly considered by the Proxy Voting Designee and, when necessary, the equity analyst following the company and/or the portfolio manager of an account holding the security, and will be voted in the best investment interests of the client. All routine for and against issues will be voted according to highWAY's policy approved by highWAY's Proxy Voting Designee unless special factors require that they be considered by highWAY's President and, when necessary, the equity analyst following the company and/or the portfolio manager of an account holding the security. highWAY's Proxy Voting Designee has established these routine policies in what it believes are the client's best interests.
6. *Availability of Procedures.* Upon request, highWAY provides clients with a copy of its Proxy Voting Guidelines, as updated from time to time.
7. *Disclosure of Vote.* Upon request, a client can obtain information from highWAY on how its proxies were voted. Any client interested in obtaining this information can request a copy from their highWAY representative or contact highWAY's Proxy Voting Designee:

Mailing address: 1095 Hilltop Drive #365, Redding, CA 96003
Email: info@highwayfinancial.com
Phone: 530-223-1222

highWAY has established several policies to ensure that proxy votes are voted in its clients' best interest and are not affected by any conflicts of interest. All conflicts are mitigated by the fact that highWAY has a fiduciary responsibility to act in the best interest of its clients. Clients are not required to authorize highWAY to vote proxies on their behalf.

Item 18: Financial Information

Balance Sheet

A balance sheet is not required to be provided because highWAY does not serve as a custodian for client funds or securities and highWAY does not require prepayment of fees of more than \$500 per client and six months or more in advance.

Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

highWAY has no condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

Bankruptcy Petitions during the Past Ten Years

Neither highWAY nor its management has had any bankruptcy petitions in the last ten years.

Item 19: Requirements for State Registered Advisors

Principal Executive Officers and Management Persons

Bryan J. Erickson

Educational Background:

- Year of birth: 1965
- Chapman University; 1983-1985

Business Experience:

- highWAY Financial Networks.; Chief Executive Officer/IAR;
10/2007-Present
- Ashby Financial Services; Owner; 01/2011-Present
- LPG Insurance Services, Inc.; Chief Executive Officer;
2/2001-Present
- Legacy Planning Group, Inc.; Chief Executive Officer;
04/2000-10/2007

Other Business Activities Engaged In

Bryan Erickson has financial industry affiliated businesses as an insurance agent and as an owner of AFS, a registered investment advisor owned by highWAY Financial Networks. From time to time, he offers clients advice or products from the insurance activities. Clients are not required to purchase any products.

These practices represent potential conflicts of interest because it gives them an incentive to recommend products based on the commission amount received. This conflict is mitigated by the fact that clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent/agencies of their choosing.

Performance Based Fee Description

Mr. Erickson does not receive any performance based fees.

Disclosure of Material Facts Related to Arbitration or Disciplinary Actions

None to report

Material Relationship Maintained by this Advisory Business or Management persons with Issuers of Securities

None to report

Supervised Person Brochure

Part 2B of Form ADV

Bryan Erickson

**1640 Bechelli Lane
Redding, CA 96002**

**1415 Victor Avenue
Redding, CA 96003**



**1095 Hilltop Drive #365
Redding, CA 96003**

PHONE: 530-223-1222

FAX: 530-223-1550

WEBSITE: www.highWAYfinancial.com

EMAIL: info@highWAYfinancial.com

This brochure supplement provides information about Bryan Erickson that supplements the highWAY Financial Networks' brochure. You should have received a copy of that brochure. Please contact Bryan Erickson if you did not receive highWAY Financial Networks' brochure or if you have any questions about the contents of this supplement.

Additional information about Bryan Erickson is available on the SEC's website at www.adviserinfo.sec.gov.

September 29, 2011

Brochure Supplement (Part 2B of Form ADV)
Supervised Person Brochure

Bryan J. Erickson**Educational Background:**

- Year of birth: 1965
- Chapman University; 1983-1985

Business Experience:

- highWAY Financial Networks.; Chief Executive Officer/IAR; 10/2007-Present
- Ashby Financial Services; Owner; 01/2011-Present
- LPG Insurance Services, Inc.; Chief Executive Officer; 12/2001-Present
- Legacy Planning Group, Inc.; Chief Executive Officer; 04/2000-10/2007

Disciplinary Information

None to report

Other Business Activities Engaged In

Bryan Erickson has financial industry affiliated businesses as an insurance agent and as an owner of AFS, a registered investment advisor owned by highWAY Financial Networks. From time to time, he offers clients advice or products from the insurance activities. Clients are not required to purchase any products.

These practices represent conflicts of interest because it gives them an incentive to recommend products based on the commission amount received. This conflict is mitigated by the fact that Mr. Erickson has a fiduciary responsibility to act in the best interest of his clients. Clients are not required to purchase any products or services. Clients have the option to purchase these products and services through another insurance agent of their choosing.

Additional Compensation

Mr. Erickson receives commissions from insurance companies on the products he sells.

These practices represent conflicts of interest because it gives Mr. Erickson an incentive to recommend products based on the commission amount received. This conflict is mitigated by the fact that Mr. Erickson has a fiduciary responsibility to act in the best interest of his clients. Clients are not required to purchase any products or services. Clients have the option to purchase these products and services through another insurance agent of their choosing.

Supervision

Mr. Erickson is solely responsible for all supervision and formulation and monitoring of investment advice offered to clients.

Requirements for State-Registered Advisors

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

Supervised Person Brochure

Part 2B of Form ADV

Gary J. Sipos

**879 45th Avenue
San Francisco, CA 94121**

PHONE: 415-742-0717

**4040 Civic Center Drive Suite 200
San Rafael, CA 94903**

**303 Twin Dolphin Drive Suite 600
Redwood City, CA 94065**



**1095 Hilltop Drive #365
Redding, CA 96003**

**PHONE: 530-223-1222
FAX: 530-223-1550**

**WEBSITE: www.highWAYfinancial.com
EMAIL: info@highWAYfinancial.com**

This brochure supplement provides information about Gary Sipos that supplements the highWAY Financial Networks' brochure. You should have received a copy of that brochure. Please contact Gary Sipos if you did not receive highWAY Financial Networks' brochure or if you have any questions about the contents of this supplement.

Additional information about Gary Sipos is available on the SEC's website at www.adviserinfo.sec.gov.

September 29, 2011

Brochure Supplement (Part 2B of Form ADV) Supervised Person Brochure

Professional Certifications

Employees have earned certifications and credentials that are required to be explained in further detail.

Accredited Investment Fiduciary (AIF): Accredited Investment Fiduciaries are licensed by the Center for Fiduciary Studies, LLC to use the AIF mark. AIF certification requirements:

- Complete training curriculum
- Pass the 60 questions AIF exam with 75% correct answers
- Sign and agree to abide by a code of ethics
- Complete six hours of continuing professional education, four of which are fi360 Training CE
- Maintain current contact information in fi360's designee database
- Submit yearly renewal application with \$325 in annual dues

Gary J. Sipos MBA, AIF®

Educational Background:

- Year of birth: 1960
- St. Mary's College; M.B.A.; 2003
- Loyola Marymount University; B.S.E.E; 1983

Business Experience:

- highWAY Financial Networks; Executive Vice President/Owner/IAR; 10/2007 – Present
- Gary Sipos Insurance Services; Independent Insurance Agent; 6/2009 – Present
- Legacy Planning Group, Inc.; Executive Vice President; 09/2006 - 10/2007

Disciplinary Information

None to report

Other Business Activities

Gary Sipos is an independent insurance agent. From time to time, he offers clients advice or products from those activities. Clients are not required to purchase any products.

These practices represent potential conflicts of interest because it gives them an incentive to recommend products based on the commission amount received. This conflict is mitigated by the fact that Mr. Sipos has a fiduciary responsibility to act in

the best interest of his clients. Clients are not required to purchase any products or services. Clients have the option to purchase these products and services through another insurance agent of their choosing.

Additional Compensation

Mr. Sipos receives commissions from insurance companies on the products he sells.

Supervision

Gary Sipos is supervised by Bryan Erickson, Chief Compliance Officer. He reviews Gary's work through frequent office interactions as well as remote interactions.

Bryan Erickson's contact information: PHONE: 530-223-1222 EMAIL: info@highWAYfinancial.com

Requirements for State-Registered Advisors

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

Supervised Person Brochure

Part 2B of Form ADV

Myron Ashby

98 Cedar Lane
San Jose, CA 95131

302F Toyon Avenue, #271
San Jose, CA 94903

PHONE: 408-753-2877



1095 Hilltop Drive #365
Redding, CA 96003

PHONE: 530-223-1222
FAX: 530-223-1550

WEBSITE: www.highWAYfinancial.com
EMAIL: info@highWAYfinancial.com

This brochure supplement provides information about Myron Ashby that supplements the highWAY Financial Networks' brochure. You should have received a copy of that brochure. Please contact Myron Ashby if you did not receive highWAY Financial Networks' brochure or if you have any questions about the contents of this supplement.

Additional information about Myron Ashby is available on the SEC's website at www.adviserinfo.sec.gov.

September 29, 2011

Brochure Supplement (Part 2B of Form ADV) Supervised Person Brochure

Professional Certifications

Employees have earned certifications and credentials that are required to be explained in further detail

Certified Financial Planner (CFP): Certified Financial Planners are licensed by the CFP Board to use the CFP mark. CFP certification requirements:

- Bachelor's degree from an accredited college or university.
 - Completion of the financial planning education requirements set by the CFP Board (www.cfp.net).
 - Successful completion of the 10-hour CFP® Certification Exam.
 - Three-year qualifying full-time work experience.
 - Successfully pass the Candidate Fitness Standards and background check.
-

Myron H. Ashby CFP®, M.Div.

Educational Background:

- Year of birth: 1963
- University of California Extension, Santa Cruz; completed Certified Financial Planner (CFP®) and Certificate in Personal Financial Planning; 2004
- Trinity Evangelical Divinity School ; Master of Divinity; 1995
- California State University, San Jose; BS, Aviation; 1991

Business Experience:

- highWAY Financial Networks; Financial Advisor/Owner; 01/2011-Present
 - Ashby Financial Services; Financial Advisor; 06/2007- Present
 - Worldventures; Sales; 05/2010 to Present
 - Myron Ashby Insurance Services; Independent Insurance Agent; 4/2010 to Present
 - Reinhart Advisory Services; Financial Advisor; 04/2004 - 06/2007
 - Medallion Financial Group; Financial Advisor; 04/1998 - 03/2004
-

Disciplinary Information

None to report

Other Business Activities

Myron Ashby is also a financial advisor with Ashby Financial Services and he is an independent insurance agent. From time to time, he offers clients advice or products from those activities. Clients are not required to purchase any products.

Additional Compensation

Mr. Ashby receives commissions from insurance companies on the products he sells.

These practices represent potential conflicts of interest because it gives Mr. Ashby an incentive to recommend products based on the commission amount received. This conflict is mitigated by the fact that Mr. Ashby has a fiduciary responsibility to act in the best interest of his clients. Clients are not required to purchase any products or services. Clients have the option to purchase these products and services through another insurance agent of their choosing.

Supervision

Myron Ashby is supervised by Bryan Erickson, Chief Compliance Officer. He reviews Myron's work through frequent office interactions as well as remote interactions.

Bryan Erickson's contact information: PHONE: 530-223-1222 EMAIL: info@highWAYfinancial.com

Requirements for State-Registered Advisors

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None