

Firm Brochure

(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of MONETARY SOLUTIONS, LTD.. If you have any questions about the contents of this brochure, please contact us at: 937.297.1140, or by email at: msl@glhcpas.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.

MONETARY SOLUTIONS, LTD. is a Registered Investment Advisor. Registration of an investment advisor does not imply any level of skill or training. The oral and written communications of an advisor provide you with information that you may use to determine whether to hire or retain them.

Additional information about MONETARY SOLUTIONS, LTD. is available on the SEC's website at www.adviserinfo.sec.gov.

JUNE 20, 2011

Material Changes

There was one material change to the Firm. Anthony A. Colussi joined the firm as a partner in January 2011.

On July 28, 2010, the United States Securities and Exchange Commission published "Amendments to Form ADV" which amends the disclosure document describing our business practices and qualifications that we provide to our clients per SEC Rules. This Brochure, dated 6/20/2011, is a new document that has been prepared according to the SEC's new requirements and rules. This Brochure is materially different in structure and requires certain new information that our previous brochure did not provide.

In the future, this section of the brochure will discuss only the specific material changes that were made to the Brochure and will provide you with a summary of all material changes that have occurred since the last filing of this Brochure with the SEC. This section will also identify the date of our last annual brochure update.

In the past we have offered or delivered information about our qualifications and business practices to our clients on at least an annual basis. Pursuant to new SEC rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year which is December 31st. We will provide other ongoing disclosure information about material changes as necessary. We will also provide you with a new Brochure, as necessary, based on changes or new information. Currently, our Brochure may be requested at any time, without charge, by contacting Michael S. Lamb at 937.297.1140.

Additional information about Monetary Solution, Ltd. is also available via the SEC's website www.adviserinfo.sec.gov. You can search this site by using a unique identifying number known as a CRD number. The CRD number of Monetary Solutions, Ltd. is 121217. The SEC's website also provides information about any persons affiliated with Monetary Solutions, Ltd. who are registered, or are required to be registered, as investment adviser representatives of Monetary Solutions, Ltd.

Table of Contents

Material Changes.....	i
ADVISORY BUSINESS	1
Firm Description.....	1
Principal Owners.....	1
Types of Advisory Services.....	1
Investment Management Agreement.....	2
Hourly Planning Engagements	3
Asset Management.....	3
Termination of Agreement	4
FEES AND COMPENSATION	4
Description.....	4
Fee Billing	4
Other Fees.....	4
Expense Ratios.....	5
Past Due Accounts and Termination of Agreement	5
PERFORMANCE-BASED FEES	5
Sharing of Capital Gains	5
TYPES OF CLIENTS	5
Description.....	5
Account Minimums.....	5
METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	6
Methods of Analysis.....	6
Investment Strategies	6
Risk of Loss	7
DISCIPLINARY INFORMATION.....	8
Legal and Disciplinary.....	8
CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT.....	8
TRANSACTIONS AND PERSONAL TRADING	8
Code of Ethics.....	8
Participation or Interest in Client Transactions.....	8
Personal Trading.....	8

BROKERAGE PRACTICES	8
Selecting Brokerage Firms.....	8
Best Execution	9
Order Aggregation	9
REVIEW OF ACCOUNTS.....	9
Periodic Reviews	9
Review Triggers.....	9
Regular Reports.....	9
CLIENT REFERRALS AND OTHER COMPENSATION	10
Incoming Referrals.....	10
Referrals Out	10
CUSTODY.....	10
Custody.....	10
INVESTMENT DISCRETION	11
Discretionary Authority for Trading.....	11
Limited Power of Attorney.....	11
VOTING CLIENT SECURITIES	11
Proxy Votes	11
FINANCIAL INFORMATION.....	11
Financial Condition	11
BUSINESS CONTINUITY PLAN	12
General	12
Disasters.....	12
Alternate Offices	12
INFORMATION SECURITY PROGRAM	12
Information Security	12
Privacy Notice	12
Michael S. Lamb, CPA/PFS, CFP.....	14
Michael R. Goldshot, CPA	14
James C. Hobbs, CPA, CSMC, Certifications	14
Anthony A. Colussi, CPA	15
Glossary of Key Terms	16

ADVISORY BUSINESS

Firm Description

Monetary Solutions, Ltd. (Monetary) is a Registered Investment Adviser ("Adviser") which offers investment advice, securities and other financial services to clients. We are registered through the Ohio Division of Securities and the United States Securities and Exchange Commission ("SEC").

We provide investment advice through investment adviser representatives ("advisors") associated with us. These individuals are appropriately licensed, qualified, and authorized to provide advisory services on our behalf. In addition, all advisors are required to have sufficient educational and/or business experience to demonstrate that they can competently advise clients and manage operations of the firm as appropriate for their specific responsibilities.

Monetary was founded in 1997. Michael S. Lamb serves as a Partner and President. We provide portfolio management services to individuals, trusts and profit sharing plans. We are committed to the precept that by placing the clients' interests first, we will add value to the asset management process and earn the client's trust and respect. We value long-term relationships with our clients, whom we regard as strategic partners in our business.

Principal Owners

Michael S. Lamb
Michael R. Goldshot
James C. Hobbs
Anthony A. Colussi

Types of Advisory Services

MONETARY SOLUTIONS, LTD. provides investment supervisory services, also known as asset management services; manages investment advisory accounts not involving investment supervisory services; and furnishes investment advice through consultations.

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

As of June 30, 2011, MONETARY SOLUTIONS, LTD. manages approximately \$47,000,000 in assets for approximately 85 clients. One hundred percent is managed on a discretionary basis.

Investment Management Agreement

We provide various investment management services with an emphasis on asset allocation strategies that can provide lower costs, global diversification and valuation-based allocations. Our focus is on providing value-based investment processes and dynamic strategies that are designed to attempt to increase the performance of your investments while mitigating your risks.

The accounts are managed on a discretionary basis which means you have given us the authority to determine the following without your consent:

- Securities to be bought or sold for your account
- Amount of securities to be bought or sold for your account
- Broker-dealer to be used for a purchase or sale of securities for your account
- Commission rates to be paid to a broker or dealer for your securities transaction

While we may have trading discretion on your account (i.e., placing trades in your account without your approval), trading activity is generally limited to help minimize your trading costs. Trading may be required to meet initial allocation targets, after substantial cash deposits that require investment allocation, and/or after a request for a withdrawal that requires liquidation of a position. Additionally, your account may be rebalanced or reallocated periodically in order to reestablish the targeted percentages for our asset allocations and their models. This rebalancing or reallocation will occur on a schedule we have determined according to our research. You will be responsible for any and all tax consequences resulting from any rebalancing or reallocation of the account. You will have the opportunity to meet with us periodically to review the assets in your account.

Most clients choose to have MONETARY SOLUTIONS, LTD. manage their assets in order to obtain ongoing in-depth advice and life planning. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an ongoing basis.

The scope of work and fee for an Advisory Service Agreement is provided to the client in writing prior to the start of the relationship.

The annual Advisory Service Agreement fee is based on a percentage of the investable assets according to the following schedule:

1.00% on the first \$100,000
0.75% on the next \$150,000 (from \$100,001 to \$250,000)
0.50% on the assets above \$250,001

The minimum annual fee is \$500.00 and is negotiable. Current client relationships may exist where the fees are lower than the fee schedule above.

Although the Advisory Service Agreement is an ongoing agreement and constant adjustments are required, the length of service to the client is at the client's discretion. The client or the investment manager may terminate an Agreement by written notice to the other party. At termination, fees will be billed on a pro rata basis for the portion of the quarter completed. The portfolio value at the completion of the prior full billing quarter is used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination.

Hourly Planning Engagements

MONETARY SOLUTIONS, LTD. provides hourly planning services for clients who need advice on a limited scope of work. The hourly rate for limited scope engagements is \$200 and is billed in quarter hour increments.

Asset Management

Assets are invested primarily in no-load mutual funds and exchange-traded funds, through Charles Schwab & Co. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Charles Schwab & Co. may charge a transaction fee for the purchase of some funds.

Stocks and bonds may be purchased or sold through a brokerage account when appropriate. Charles Schwab & Co. charges a fee for stock and bond trades. MONETARY SOLUTIONS, LTD. does not receive any compensation, in any form, from fund companies.

Investments may also include: corporate debt securities, certificates of deposit, municipal securities, and U. S. government securities.

Initial public offerings (IPOs) are not available through MONETARY SOLUTIONS, LTD.

Termination of Agreement

A Client may terminate any of the aforementioned agreements at any time by notifying MONETARY SOLUTIONS, LTD. in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the client made an advance payment, MONETARY SOLUTIONS, LTD. will refund any unearned portion of the advance payment.

MONETARY SOLUTIONS, LTD. may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, MONETARY SOLUTIONS, LTD. will refund any unearned portion of the advance payment.

FEES AND COMPENSATION

Description

MONETARY SOLUTIONS, LTD. bases its fees on a percentage of assets under management and hourly charges.

Fees are negotiable for accounts in excess of \$1,000,000.

Fee Billing

Investment management fees are billed quarterly, in arrears, meaning that we invoice you after the three-month billing period has ended. 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.

Other Fees

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.

MONETARY SOLUTIONS, LTD., 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.).

Expense Ratios

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by you to MONETARY SOLUTIONS, LTD..

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

Past Due Accounts and Termination of Agreement

MONETARY SOLUTIONS, LTD. reserves the right to stop work on any account that is more than 90 days overdue. Any unused portion of fees collected in advance will be refunded within 30 days.

PERFORMANCE-BASED FEES

Sharing of Capital Gains

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

MONETARY SOLUTIONS, LTD. 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.

TYPES OF CLIENTS

Description

MONETARY SOLUTIONS, LTD. generally provides investment advice to individuals, profit sharing plans, corporations or business entities.

Client relationships vary in scope and length of service.

Account Minimums

The minimum account size is \$50,000 of assets under management, which equates to an annual fee of \$500.

When an account falls below \$50,000 in value, the minimum annual fee of \$500 is charged.

MONETARY SOLUTIONS, LTD. has the discretion to waive the account minimum. Accounts of less than \$50,000 may be set up when the client and the advisor anticipate the client will add additional funds to the accounts bringing the total to \$50,000 within a reasonable time. Other exceptions will apply to employees of MONETARY SOLUTIONS, LTD. and their relatives, or relatives of existing clients.

Clients receiving ongoing asset management services will be assessed a \$500 minimum annual fee. Clients with assets below the minimum account size may pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis

Security analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis.

The main sources of information include financial newspapers and magazines, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Other sources of information that MONETARY SOLUTIONS, LTD. may use include Morningstar Principia mutual fund information, Morningstar Principia stock information, Charles Schwab & Company's "SchwabLink" service, Advisor Intelligence, and the World Wide Web.

Investment Strategies

The primary investment strategy used on client accounts is strategic asset allocation. Portfolios are globally diversified to control the risk associated with traditional markets.

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 Asset Allocation Letter that documents their objectives and their desired investment strategy.

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

Risk of Loss

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 not buy as much as 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.

DISCIPLINARY INFORMATION

Legal and Disciplinary

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

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

The employees of MONETARY SOLUTIONS, LTD. have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

MONETARY SOLUTIONS, LTD. and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the MONETARY SOLUTIONS, LTD. *Compliance Manual*.

Personal Trading

The Chief Compliance Officer of MONETARY SOLUTIONS, LTD. is Michael S. Lamb. He reviews all employee trades each quarter. His trades are reviewed by James C. Hobbs. 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 small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

BROKERAGE PRACTICES

Selecting Brokerage Firms

MONETARY SOLUTIONS, LTD. does not have any affiliation with product sales firms. Specific custodian recommendations are made to Clients based on their need for such services. MONETARY SOLUTIONS, LTD. recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

MONETARY SOLUTIONS, LTD. recommends discount brokerage firms and trust companies (qualified custodians), such as Charles Schwab & Co., Inc. MONETARY SOLUTIONS, LTD. is an advisor with Charles Schwab & Co., Inc.

MONETARY SOLUTIONS, LTD. does not receive fees or commissions from any of these arrangements.

Best Execution

MONETARY SOLUTIONS, LTD. reviews the execution of trades at each custodian each quarter. The review is documented in the MONETARY SOLUTIONS, LTD. *Compliance Manual*. Trading fees charged by the custodians is also reviewed on a quarterly basis. MONETARY SOLUTIONS, LTD. does not receive any portion of the trading fees.

Order Aggregation

Most trades are mutual funds or exchange-traded funds where trade aggregation does not garner any client benefit.

REVIEW OF ACCOUNTS

Periodic Reviews

Account reviews are performed quarterly by Michael S. Lamb, President. Account reviews are performed more frequently when market conditions dictate.

Review Triggers

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

Regular Reports

Account reviewers are members of the firm's Investment Committee. They are instructed to consider the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client.

Investment management clients receive written quarterly updates.

CLIENT REFERRALS AND OTHER COMPENSATION

Incoming Referrals

MONETARY SOLUTIONS, LTD. has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

Referrals Out

MONETARY SOLUTIONS, LTD. does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

CUSTODY

Custody

We do not have custody of any accounts. We currently use Charles Schwab & Co., Inc. as the custodian and/or broker-dealer for all accounts. You should receive at least quarterly statements from the broker-dealer or custodian that holds and maintains your investment assets. We urge you to carefully review such statements and compare this official custodial record to the investor letters and invoices that we may provide to you. Our investor letters may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. If you notice any discrepancies, please contact Michael S. Lamb.

We do not debit the client fees directly from your advisory account. Only the custodian has the authority to directly charge and debit the advisory fees to your account, which is then forwarded to us. The custodian will provide you immediate transaction confirmations and monthly statements, either by mail or electronically per your request. Monthly statements list the total value of the account at the start and end of the month and itemize all transactions and security positions. For taxable accounts, the custodian will provide you consolidated year-end summary statements including IRS forms 1099 and other tax-related forms, as applicable. We are not allowed to make alterations or amendments to the custodian's statement. This preserves the integrity of the custodian's statement and provides you with an independent appraisal of the account.

INVESTMENT DISCRETION

Discretionary Authority for Trading

We usually receive discretionary authority from you at the beginning of an advisory relationship to select the identity and amount of securities to be bought or sold. This information is described in the Advisory Agreement you sign with us. In all cases, however, this discretion is exercised in a manner consistent with your stated investment objectives for your account.

When selecting securities and determining amounts, we observe the investment policies, limitations and restrictions you have set. Investment guidelines and restrictions must be provided to us in writing. For registered investment companies, our authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. You sign a limited power of attorney so that we may execute the trades that you have approved.

VOTING CLIENT SECURITIES

Proxy Votes

Unless the client designates otherwise, MONETARY SOLUTIONS, LTD. votes proxies for securities over which it maintains discretionary authority consistent with its proxy voting policy. A copy of MONETARY SOLUTIONS, LTD.'s proxy voting policy is available upon request.

FINANCIAL INFORMATION

Financial Condition

MONETARY SOLUTIONS, LTD. does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because MONETARY SOLUTIONS, LTD. does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$600 per client, and six months or more in advance.

BUSINESS CONTINUITY PLAN

General

MONETARY SOLUTIONS, LTD. has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

Disasters

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, DSL communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

Alternate Offices

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

INFORMATION SECURITY PROGRAM

Information Security

MONETARY SOLUTIONS, LTD. maintains an information security program to reduce the risk that your personal and confidential information may be breached.

Privacy Notice

MONETARY SOLUTIONS, LTD. is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide your personal information to mailing list vendors or solicitors.

We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this *Privacy Notice* to you annually, in writing.

Michael S. Lamb, CPA/PFS, CFP

Educational Background:

- Date of birth: 1960
- BS, Manchester College, N. Manchester, IN

Business Experience:

- 1997 to Present - Monetary Solutions, Ltd; Current Position - Partner
- 1984 to Present - Goldshot, Lamb & Hobbs, Inc.; Current Position - Partner
- 1982 - 1984 - Dahms & Yarian, Inc.; Position - Staff Accountant

Disciplinary Information: None

Additional Compensation: None

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

Michael R. Goldshot, CPA

Educational Background:

- Date of birth: 1951
- AA, Miami Jacobs Junior College, Dayton, OH

Business Experience:

- 1997 to Present - Monetary Solutions, Ltd; Current Position - Partner
- 1970 to Present - Goldshot, Lamb & Hobbs, Inc.; Current Position - Partner

Disciplinary Information: None

Additional Compensation: None

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

James C. Hobbs, CPA, CSMC

Educational Background:

- Date of birth: 1967
- BS, The Ohio State University, Columbus, OH

Business Experience:

- 2004 to Present - Monetary Solutions, Ltd; Current Position - Partner
- 1989 to Present - Goldshot, Lamb & Hobbs, Inc.; Current Position - Partner

Disciplinary Information: None

Additional Compensation: None

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

Anthony A. Colussi, CPA**Educational Background:**

- Date of birth: 1975
- BS, University of Evansville, Evansville, IN

Business Experience:

- 2011 to Present - Monetary Solutions, Ltd; Current Position - Partner
- 1998 to Present - Goldshot, Lamb & Hobbs, Inc.; Current Position - Partner
- 1997 to 1998 - Roth & Co.; Position - Staff Accountant

Disciplinary Information: None

Additional Compensation: None

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

Glossary of Key Terms

Adviser – Monetary Solutions, Ltd.

Advisor – Your individual representative at Monetary Solutions, Ltd.

Asset Allocation – The process of dividing investments among different kinds of assets, such as stocks, bonds, real estate and cash, to optimize the risk/reward tradeoff based on an individual's or institutions specific situation and goals.

Asset-class investment portfolios – An asset class is a grouping of similar investments whose prices tend to move together. Asset classes can be defined on a very general level, such as stocks or on a more specific level, such as American silver producing companies. The concept of asset classes is important because one of the goals when building an investment portfolio is to use different asset classes which are not correlated with each other.

Diversification – A portfolio strategy designed to reduce exposure to risk by combining a variety of investments, such as stocks, bonds, and real estate, which are unlikely to all move in the same direction. The goal of diversification is to reduce the risk in a portfolio. Volatility is limited by the fact that not all asset classes or industries or individual companies move up and down in value at the same time or at the same rate. Diversification reduces both the upside and downside potential and allows for more consistent performance under a wide range of economic conditions.

Exchange-Traded Funds – A type of an investment company (either an open-end company or UIT) whose objective is to achieve the same return as a particular market index. ETFs differ from traditional open-end companies and UITs, because, pursuant to SEC exemptive orders, shares issued by ETFs trade on a secondary market and are only redeemable from the fund itself in very large blocks (blocks of 50,000 shares for example).

Expense Ratio – The fund's total annual operating expenses (including management fees, distribution (12b-1) fees, and other expenses) expressed as a percentage of average net assets.

Fees – A list of all fees associated with different products we offer are listed below:

1. **12b-1 Fees** — Fees paid by the fund out of fund assets to cover the costs of marketing and selling fund shares and sometimes to cover the costs of providing shareholder services. "Distribution fees" include fees to compensate brokers and others who sell fund shares and to pay for advertising, the printing and mailing of prospectuses to new investors, and the printing and mailing of sales literature. "Shareholder Service Fees" are fees paid to persons to respond to investor inquiries and provide investors with information about their investments.
2. **Account Fee** — A fee that some funds separately impose on investors for the maintenance of their accounts. For example, accounts below a specified dollar amount may have to pay an account fee.

3. **Distribution Fees** — Fees paid out of fund assets to cover expenses for marketing and selling fund shares, including advertising costs, compensation for brokers and others who sell fund shares, and payments for printing and mailing prospectuses to new investors and sales literature prospective investors. (Sometimes referred to as "12b-1 fees")
4. **Management Fee** — fee paid out of fund assets to the fund's investment adviser or its affiliates for managing the fund's portfolio, any other management fee payable to the fund's investment adviser or its affiliates, and any administrative fee payable to the investment adviser that are not included in the "Other Expenses" category. A fund's management fee appears as a category under "Annual Fund Operating Expenses" in the Fee Table.
5. **Operating Expenses** — the costs a fund incurs in connection with running the fund, including management fees, distribution (12b-1) fees, and other expenses.
6. **Purchase Fee** — a shareholder fee that some funds charge when investors purchase mutual fund shares. Not the same as (and may be in addition to) a front-end load.
7. **Redemption Fee** — a shareholder fee that some funds charge when investors redeem (or sell) mutual fund shares. Redemption fees (which must be paid to the fund) are not the same as (and may be in addition to) a back-end load (which is typically paid to a broker). The SEC generally limits redemption fees to 2%.
8. **Sales Charge (or "Load")** — the amount that investors pay when they purchase (front-end load) or redeem (back-end load) shares in a mutual fund, similar to a commission. The SEC's rules do not limit the size of sales load a fund may charge, but FINRA rules state that mutual fund sales loads cannot exceed 8.5% and must be even lower depending on other fees and charges assessed.
9. **Shareholder Service Fees** — fees paid to persons to respond to investor inquiries and provide investors with information about their investments. See also "12b-1 fees."

Index Fund — Describes a type of mutual fund or Unit Investment Trust (UIT) whose investment objective typically is to achieve the same return as a particular market index, such as the S&P 500 Composite Stock Price Index, the Russell 2000 Index, or the Wilshire 5000 Total Market Index.

Investment Adviser — Generally, a person or entity who receives compensation for giving advice to a specific person on investing in stocks, bonds, or mutual funds. Some investment advisers also manage portfolios of securities, including mutual funds.

Investment Company — A company (corporation, business trust, partnership, or Limited Liability Company) that issues securities and is primarily engaged in the business of investing in securities. The three basic types of investment companies are mutual funds, closed-end funds, and unit investment trusts.

Margin — Borrowing money (usually using securities you already own as collateral) that is used to purchase securities.

Mutual Fund – The common name for an open-end investment company. Like other types of investment companies, mutual funds pool money from many investors and invest the money in stocks, bonds, short-term money-market instruments, or other securities. Mutual funds issue redeemable shares that investors purchase directly from the fund (or through a broker for the fund) instead of purchasing from investors on a secondary market.

NAV (Net Asset Value) – The value of the fund's assets minus its liabilities. SEC rules require funds to calculate the NAV at least once daily. To calculate the NAV per share, simply subtract the fund's liabilities from its assets and then divide the result by the number of shares outstanding.

No-load Fund – A fund that does not charge any type of sales load. But not every type of shareholder fee is a "sales load," and a no-load fund may charge fees that are not sales loads. No-load funds also charge operating expenses.

Open-End Company – The legal name for a mutual fund. An open-end company is a type of Investment Company.

Option Contracts – The right, but not the obligation, to buy (for a call option) or sell (for a put option) a specific amount of a given stock, commodity, currency, index, or debt, at a specified price (the strike price) during a specified period of time. For stock options, the amount is usually 100 shares. Each option contract has a buyer, called the holder, and a seller, known as the writer. If the option contract is exercised, the writer is responsible for fulfilling the terms of the contract by delivering the shares to the appropriate party. In the case of a security that cannot be delivered such as an index, the contract is settled in cash. For the holder, the potential loss is limited to the price paid to acquire the option. When an option is not exercised, it expires. No shares change hands and the money spent to purchase the option is lost. For the buyer, the upside is unlimited. Option contracts, like stocks, are therefore said to have an asymmetrical payoff pattern. For the writer, the potential loss is unlimited unless the contract is covered, meaning that the writer already owns the security underlying the option. Option contracts are most frequently used as either leverage or protection. As leverage, options allow the holder to control equity in a limited capacity for a fraction of what the shares would cost. The difference can be invested elsewhere until the option is exercised. As protection, options can guard against price fluctuations in the near term because they provide the right to acquire the underlying stock at a fixed price for a limited time. Risk is limited to the option premium (except when writing options for a security that is not already owned). However, the costs of trading options (including both commissions and the bid/ask spread) is higher on a percentage basis than trading the underlying stock. In addition, options are very complex and require a great deal of observation and maintenance.

Portfolio – An individual's or entity's combined holdings of stocks, bonds, or other securities and assets.

Profile – Summarizes key information about a mutual fund's costs, investment objectives, risks, and performance. Although every mutual fund has a prospectus, not every mutual fund has a profile.

Prospectus – Describes the mutual fund to prospective investors. Every mutual fund has a prospectus. The prospectus contains information about the mutual fund's costs, investment objectives, risks, and performance. You can get a prospectus from the mutual fund company (through its website or by phone or mail). Your financial professional or broker can also provide you with a copy.

Risks – A list of risks associated with the strategies, products and methodology we offer are listed below:

1. Fundamental Analysis Risks

Fundamental analysis, when used in isolation, has a number of risks:

- There are an infinite number of factors that can affect the asset allocation, and its content, over time. These can include economic, political and social factors, in addition to the various company statistics within the allocation.
- The data used may be at least six months out of date.
- It ignores the influence of random events such as oil spills, product defects being exposed, and acts of God and so on.
- It assumes that there is no monopolistic power over markets.

2. Mutual Funds & Exchange-Traded Funds Risk

Mutual funds can offer the advantages of diversification and professional management. But, as with other investment choices, investing in mutual funds involves risk and fees and taxes will diminish a fund's returns.

But mutual funds also have features that some clients might view as disadvantages, such as:

- Costs despite Negative Returns — Clients must pay sales charges, annual fees, and other expenses) regardless of how the fund performs. And, depending on the timing of their investment, clients may also have to pay taxes on any capital gains distribution they receive — even if the fund went on to perform poorly after they bought shares.
- Lack of Control — Investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.
- Price Uncertainty — with an individual stock, you can obtain real-time (or close to real-time) pricing information with relative ease by checking financial websites or by calling your advisor. You can also monitor how a stock's price changes from hour to hour. But with a mutual fund, the price you purchase or redeem shares for will typically depend on the fund's NAV, which the fund might not calculate until many hours after you've placed your order. In general, mutual funds must calculate their NAV at least once every business day, typically after the major U.S. exchanges close.

The following is a list of some general risks associated with investing in mutual funds.

- Country Risk - The possibility that political events (a war, national elections), financial problems (rising inflation, government default), or natural disasters (an earthquake, a poor harvest) will weaken a country's economy and cause investments in that country to decline.
- Currency Risk -The possibility that returns could be reduced for Americans investing in foreign securities because of a rise in the value of the U.S. dollar against foreign currencies. Also called exchange-rate risk.

- Income Risk - The possibility that a fixed-income fund's dividends will decline as a result of falling overall interest rates.
- Industry Risk - The possibility that a group of stocks in a single industry will decline in price due to developments in that industry.
- Inflation Risk - The possibility that increases in the cost of living will reduce or eliminate a fund's real inflation-adjusted returns.
- Manager Risk -The possibility that an actively managed mutual fund's investment adviser will fail to execute the fund's investment strategy effectively resulting in the failure of stated objectives.
- Market Risk -The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- Principal Risk -The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

3. Bond Fund Risk

Bond funds generally have higher risks than money market funds, largely because they typically pursue strategies aimed at producing higher yields of the risks associated with bond funds include:

- Call Risk - The possibility that falling interest rates will cause a bond issuer to redeem—or call—its high-yielding bond before the bond's maturity date.
- Credit Risk — the possibility that companies or other issuers whose bonds are owned by the fund may fail to pay their debts (including the debt owed to holders of their bonds). Credit risk is less of a factor for bond funds that invest in insured bonds or U.S. Treasury bonds. By contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.
- Interest Rate Risk — the risk that the market value of the bonds will go down when interest rates go up. Because of this, you can lose money in any bond fund, including those that invest only in insured bonds or Treasury bonds.
- Prepayment Risk — the chance that a bond will be paid off early. For example, if interest rates fall, a bond issuer may decide to pay off (or "retire") its debt and issue new bonds that pay a lower rate. When this happens, the fund may not be able to reinvest the proceeds in an investment with as high a return or yield.

4. Stock Fund Risk

Although a stock fund's value can rise and fall quickly over the short term, historically stocks have performed better over the long term than other types of investments — including corporate bonds, government bonds, and treasury securities.

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons, such as the overall strength of the economy or demand for particular products or services. Not all stock funds are the same. For example:

- Growth funds focus on stocks that may not pay a regular dividend but have the potential for large capital gains.
- Income funds invest in stocks that pay regular dividends.
- Index funds aim to achieve the same return as a particular market index, such as the S&P 500 Composite Stock Price Index, by investing in all — or perhaps a representative sample — of the companies included in an index.
- Sector funds may specialize in a particular industry segment, such as technology or consumer products stocks.

5. Alternative Investment Risk

Investing in alternative investments is speculative, not suitable for all clients, and intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment, which can include:

- Loss of all or a substantial portion of the investment due to leveraging, short-selling or other speculative investment practices
- Lack of liquidity in that there may be no secondary market for the fund and none expected to develop
- Volatility of returns
- Restrictions on transferring interests in the fund
- Absence of information regarding valuations and pricing
- Delays in tax reporting
- Less regulation and higher fees than mutual funds

6. Overall Fund Risk

- Clients need to remember that past performance is no guarantee of future results. All funds carry some level of risk. You may lose some or all of the money you invest, including your principal, because the securities held by a fund goes up and down in value. Dividend or interest payments may also fluctuate, or stop completely, as market conditions change.
- Before you invest, be sure to read a fund's prospectus and shareholder reports to learn about its investment strategy and the potential risks. Funds with higher rates of return may take risks that are beyond your comfort level and are inconsistent with your financial goals.
- While past performance does not necessarily predict future returns, it can tell you how volatile (or stable) a fund has been over a period of time. Generally, the more volatile a fund, the higher the investment risk. If you'll need your money to meet a financial goal in the near-term, you probably can't afford the risk of investing in a fund with a volatile history because you will not have enough time to ride out any declines in the stock market.

Risk Tolerance – The extent to which an investor is willing to accept more risk in exchange for the possibility of a higher return. An investor with a high risk tolerance is likely to invest in securities, such as stocks in startup companies, and is willing to accept the possibility that the value of his/her portfolio will decline, at least in the short-term. An investor with a low risk tolerance, on the other hand, tends to invest predominantly in stable stocks and/or highly-graded bonds. One's risk tolerance is subjective and may vary according to age, needs, goals, and even personal dispositions

Third Party Money Manager — The professional management of various securities (shares, bonds and other securities) and assets (e.g., real estate), to meet specified investment goals for the benefit of the investors. The managers are not the actual advisers working with the investor. Investors may be institutions (insurance companies, pension funds, corporations, individuals etc.).

You – The client.