

**ITEM 1: COVER PAGE FOR  
PART 2B OF FORM ADV:  
BROCHURE SUPPLEMENT  
DATED OCTOBER 2011**

**GARY A. MELLING**

**PERSONAL BENEFIT SERVICES OF COLORADO, INC.  
5620 WARD ROAD, SUITE 100-A  
ARVADA, CO 80002  
PHONE: (303)991-6400  
FAX: (303) 420-8082**

**FIRM CONTACT: SHARON EVANS, CHIEF COMPLIANCE OFFICER**

**FIRM WEBSITE: [WWW.PBSADVISOR.COM](http://WWW.PBSADVISOR.COM)**

**This brochure supplement provides information about Gary A. Melling that supplements our brochure. You should have received a copy of that brochure. Please contact Ms. Evans if you did not receive Personal Benefit Services of Colorado, Inc's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Mr. Melling is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 Educational Background and Business Experience**

We are required to disclose the following information about Mr. Melling:

**Gary A. Melling CFP<sup>®</sup>, CFS, RFC**

Year of Birth: 1943

### **Formal Education after high school:**

2002- Designation of Certified Financial Planner from the College for Financial Planning.

1964- B.S. Secondary Education, Dickinson State College.

1965- Master of Education degree from the University of Toledo.

### **Business Background:**

1997-Present, Personal Benefit Services of Colorado, Inc- Investment Adviser Representative

1996-2002, Benefitscorp Equities, Inc- Sales Representative

1989-Present, Royal Alliance- Registered Representative

### **Professional Licenses and Exams:**

Mr. Melling holds the FINRA Series 7, 24, 51, and 63 securities licenses and is a multi-line licensed insurance agent.

The Certified Financial Planner<sup>™</sup>, CFP<sup>®</sup> and federally registered CFP (with flame design) marks (collectively, the “CFP<sup>®</sup> marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

To attain the right to use the CFP<sup>®</sup> marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university).
- Examination – Pass the comprehensive CFP<sup>®</sup> Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP<sup>®</sup> professionals.

Mr. Melling has earned a Certified Fund Specialist, CFS<sup>®</sup> designation. CFS<sup>®</sup> is the oldest designation in the mutual fund industry. As a certified funds specialist, candidates learn criteria such as alpha, beta, correlation coefficient, first-auto correlation, R-squared, and standard deviation that should be incorporated in the selection process.

With mutual funds training, a Certified Fund Specialist® is able to evaluate and compare financial measurements and benchmarks when constructing a portfolio. Modern portfolio theory (MPT) is a key part of the program; its components are broken down and detailed in terms the advisor can easily understand and convey to a client. A suitable and efficient portfolio using closed-end, exchange-traded, and open-end funds can be derived from MPT.

Mr. Melling also has a professional designation, Registered Financial Consultant. The Registered Financial Consultant (RFC®) designation is the undisputed professional credential for persons in the field of financial planning. The designation is awarded by the International Association of Registered Financial Consultants (IARFC) to those financial advisors who can meet the high standards of education, experience and integrity that are required of all its members.

The preparation curriculum consists of ten volumes mirroring that of the CFP preparation, and covers the following six topics:

- Financial Planning Process
- Insurance Planning
- Retirement Planning
- Investment Planning
- Income Tax Planning
- Estate Planning

### **Item 3 Disciplinary Information**

If there are legal or disciplinary events material to your evaluation of Mr. Melling, we are required to disclose all material facts regarding those events.<sup>1</sup>

We have nothing to disclose in this regard.

### **Item 4 Other Business Activities**

A. If Mr. Melling is actively engaged in any investment-related business or occupation, including if he is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated person of an FCM, CPO, or CTA, we are required to disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

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<sup>1</sup> **Note:** Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Mr. Melling to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Mr. Melling to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.

1. If a relationship between the advisory business and Mr. Melling's other financial industry activities creates a material conflict of interest with you, the SEC requires us to describe the nature of the conflict and generally how we address it.

We have nothing to disclose in this regard.

2. If Mr. Melling receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds, we have to disclose this fact. If this compensation is not cash, we are required to explain what type of compensation Mr. Melling receives. We must explain that this practice gives Mr. Melling an incentive to recommend investment products based on the compensation received, rather than on your needs.

Mr. Melling is a registered representative of Royal Alliance, Inc., member FINRA/SIPC. He may offer securities and receive normal and customary commissions as a result of securities transactions. This presents a conflict of interest to the extent that Mr. Melling recommends that a client invest in a security which results in a commission being paid to him.

A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products incentive to recommend products based on the compensation adviser and/or our supervised persons may earn and may not necessarily be in the best interests of the client.

- B. If Mr. Melling is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of his income or involve a substantial amount of his time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Mr. Melling's time and income, we may presume that they are not substantial.

Mr. Melling is licensed as an insurance agent with various insurance companies, and in such capacity, may recommend, on a fully disclosed basis, the purchase of insurance- related products. Mr. Melling currently devotes 30% of his time to securities and life insurance commission business.

Mr. Melling offers non-investment related financial planning and retirement seminars for Federal employees. He provides general financial advice which is not geared towards the individual needs of the attendees. Mr. Melling spends approximately 20% of his time in this outside business activity.

## **Item 5 Additional Compensation**

If someone who is not a *client* provides an economic benefit to Mr. Melling for providing advisory services, we are required to generally describe the arrangement. For purposes of this

Item, economic benefits include sales awards and other prizes, but do not include his regular salary. Any bonus that is based, at least in part, on the number or amount of sales, *client* referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

We have nothing to disclose in this regard.

### **Item 6 Supervision**

We are required to explain how we *supervise* Mr. Melling, including how we monitor the advice he provides to you. Our firm has to provide the name, title and telephone number of the *person* responsible for supervising Mr. Melling's advisory activities on behalf of our firm.

Ms. Evans, Chief Compliance Officer of Personal Benefit Services of CO, Inc supervises Mr. Melling's activities to ensure compliance with our firm's code of ethics. Please contact Ms. Evans if you have any questions about Mr. Melling's brochure supplement at (303)991-6400.

### **Item 7 Requirements for State-Registered Advisers**

A. In addition to the events listed in Item 3 of Part 2B, if Mr. Melling has been *involved* in one of the events listed below, we disclose all material facts regarding the event.

1. An award or otherwise being *found* liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - (a) an investment or an *investment-related* business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or
  - (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

2. An award or otherwise being *found* liable in a civil, *self-regulatory organization*, or *administrative proceeding* involving any of the following:
  - (a) an investment or an *investment-related* business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or
  - (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

- B. If Mr. Melling has been the subject of a bankruptcy petition, we must disclose that fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.