

**ITEM. 1 COVER PAGE FOR
PART 2A OF FORM ADV:
FIRM BROCHURE
DATED MAY 3, 2011**

**PLUS SIGMA, INC.
2100 KOHLER DRIVE
BOULDER, CO 80305**

**FIRM CONTACT: JOHN C. HERMAN, CFP®
CHIEF COMPLIANCE OFFICER**

This brochure provides information about the qualifications and business practices of Plus Sigma, Inc. If you have any questions about the contents of this brochure, please contact us by telephone at (888) 818-6500. 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 Plus Sigma, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

Please note that the use of the term "registered investment adviser" and description of Plus Sigma, Inc. and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firms' associates which provide you more information on the qualifications of our firm and its employees.

Item 2. Material Changes to Our Part 2A of Form ADV:
Firm Brochure

Plus Sigma, Inc. is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

Please note that we do not have to provide this information to a client or prospective client who has not received a previous version of our brochure. At this time, there are no material changes to report about our Brochure.

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Item 4. Advisory Business

The principal business of Plus Sigma, Inc. consists of furnishing investment supervisory services to clients. Our assets under management are Forty-Two Million Dollars (\$42,000,000) as of December 31, 2010.

A. Description of our advisory firm, including how long we have been in business and our principal owner(s) (1).

We provide clients with investment advisory services. Our firm is a Delaware corporation formed in 1996, one hundred percent (100%) owned by John C. Herman, CFP®.

B. Description of the types of advisory services we offer.

Our investment supervisory service is designed to assist clients in meeting their financial goals through the use of financial investments. We communicate at least once, but sometimes more than once (in person if possible, otherwise via telephone conference) with clients in order to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment approach to the client. We may propose an investment portfolio, consisting of exchange traded funds, mutual funds, individual stocks or bonds, or other securities. Upon the client's agreement to the proposed investment plan, we work with the client to establish or transfer investment accounts so that we can manage the client's portfolio. Once the relevant accounts are under our management, we review such accounts on a regular basis and at least quarterly. We may periodically reallocate or adjust client accounts under our management. If the client experiences any significant changes to his / her financial or personal circumstances, the client must notify us so that we can consider such information in managing the client's investments.

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

Our firm formulates and implements an investment program that is considered prudent, appropriate, and suitable in the nature of the account and our firms' general understanding of the client's general circumstances, preferences and objectives. We usually do not allow clients to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing their account. In the rare instance that we would allow restrictions, it would be limited and approved only on a case by case basis.

D. Participation in wrap fee programs.

Our firm does not manage any wrap fee programs.

Notes: (1) For purposes of this item, our principal owners include the *persons* we list as owning 25% or more of our firm on Schedule A of Part IA of Form ADV (Ownership Codes C, D or E). (2) If we are a publicly held company without a 25% shareholder, we simply need to disclose that we are publicly held. (3) If an individual or company owns 25% or more of our firm through subsidiaries, we must identify the individual or parent company and intermediate subsidiaries. If we are an SEC-registered adviser, we must identify intermediate subsidiaries that are publicly held, but not other intermediate subsidiaries. If we are a state-registered adviser, we must identify all intermediate subsidiaries.

E. Disclosure of the amount of *client* assets we manage on a *discretionary basis* and the amount of *client* assets we manage on a *non-discretionary basis* as of (December 31, 2010).

We manage (2) Forty-Two Million Dollars (\$42,000,000) on a discretionary as of December 31, 2010.

Item 5. Fees and Compensation

We are required to describe our brokerage, custody, fees and fund expenses so you will know how much you are charged and by whom for our advisory services provided to you. Our fees are generally negotiable.

A. Description of how we are compensated for our advisory services provided to you.

<u>Assets under management</u>	<u>Annual Percentage of assets charged</u>
Up to \$499,999.99	1.10%
\$500,000 to \$999,999.99	0.90%
\$1,000,000 to \$2,499,999.99	0.70%
\$2,500,000 to \$4,999,999.99	0.60%
\$5,000,000 and up	0.50%

B. Description of whether we deduct fees from clients' assets or bill clients for fees incurred.

Our firms' fees are billed on a pro-rata annualized basis quarterly in arrears based on the value of your account on the last trading day of the previous quarter. Fees will generally be automatically deducted from your managed account*. As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends monthly statements to you showing all disbursements for your account, including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms;
- c) We send a copy of our invoice to you and we send a matching electronic fee request to the independent custodian at the same time we send the fee notice to you;

*In rare cases, we will agree to direct bill clients.

Note: (2) Our method for computing the amount of "*client* assets we manage" can be different from the method for computing "assets under management" required for Item 5.F in Part 1A of Form ADV. However, we have chosen to follow the method outlined for Item 5.F in Part 1A of Form ADV. If we decide to use a different method at a later date to compute "*client* assets we manage," we must keep documentation describing the method we use and inform you of the change. The amount of assets we manage may be disclosed by rounding to the nearest \$100,000. Our "as of" date must not be more than three months before the date we last updated our *Brochure* in response to Item 4.E of Form ADV Part 2A

- C. Description of any other types of fees or expenses *clients* may pay in connection with our advisory services, such as custodian fees or mutual fund expenses.

Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm trades are executed through. Also, clients will pay the following separately incurred expenses, of which we do not receive any part: charges imposed directly by a mutual fund, index fund, exchange traded fund, master limited partnership which shall be disclosed in the fund's prospectus (i.e., fund management fees, other fund expenses and foreign taxes).

- D. Client's request for refunds for unearned advisory fees.

We charge our advisory fees quarterly in arrears. In the event that you wish to terminate our services, we will calculate pro-rata final fee notices and attempt to collect the final fee from the account assets. You need to contact us in writing and state you wish to terminate our services. Upon receipt of your letter of termination, we will process a pro-rata refund of unearned advisory fees.

- E. Commissionable securities sales.

We do not earn compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual.

Item 6. Performance-Based Fees and Side-By-Side Management

We do not charge performance fees to our clients.

Item 7. Types of Clients and Account Requirements

We offer investment advisory services to individuals, trusts, estates, charitable organizations, businesses, and pension plans.

We do not impose a minimum portfolio size or annual minimum fee.

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

- A. Description of the methods of analysis and investment strategies we use in formulating investment advice or managing assets.

We use a combination of technical and fundamental methods to assess risk and opportunities in the capital markets. Fundamental data helps us identify companies, industries, and sectors with compelling financial characteristics. Technical data helps us to identify securities with attractive supply-demand characteristics.

Throughout our investment process, we review numerous sources of information: financial newspapers and magazines; inspections of corporate activities; research materials prepared by others; corporate rating services; annual reports, prospectuses, and filings with the SEC; and company press releases.

We seek to invest in securities with a long-term time horizon, both to realize preferable tax rates on long-term capital gains and to manage trading expenses. We may sell securities that meet our appreciation objectives or experience unfavorable fundamental or technical developments in shorter time spans. Our principal focus is to invest our clients' funds to achieve long-term capital appreciation through both income and growth.

In pursuit of both income and growth, we employ the use of covered option writing or option purchases.

Please note:

Investing in securities involves risk of loss that *clients* should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

Item 9. Disciplinary Information

We are required to disclose whether there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of our advisory business or the integrity of our management. There are a number of specific legal and disciplinary events that we must presume are material for this Item. If our advisory firm or a *management person* has been *involved* in one of these events, we must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in our or the *management person's* favor, or was reversed, suspended or vacated, or (2) the event is not material. For purposes of calculating this ten-year period, the "date" of an event is the date that the final *order*, judgment, or decree was entered, or the date that any rights of appeal from preliminary *orders*, judgments or decrees lapsed.

The SEC and/or State Regulators have not provided us with an exclusive list of material disciplinary events, which need to be disclosed. If our advisory firm or a *management person* has been *involved* in a legal or disciplinary event that is not specifically required to be disclosed, but nonetheless is material to a *client's* or prospective *client's* evaluation of our advisory business or the integrity of our management, we must disclose the event. Similarly, even if more than ten years has passed since the date of the event, we must disclose the event if it is so serious that it remains currently material to a *client's* or prospective *client's* evaluation of our firm or management.

We have determined that our firm and management have nothing to disclose under the aforementioned standard.

Item 10. Other Financial Industry Activities and Affiliations

- A. Our firm or our *management persons* are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer. The details are as follows:

We do not have any affiliations with other financial services firms. All relationships are for contracted services only, and no affiliation is created by way of these various services agreements. In no case is any affiliation created by way of these service agreements

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

- A. Brief description of our Code of Ethics adopted pursuant to SEC rule 204A-1 and offer to provide a copy of our Code of Ethics to any *client* or prospective *client* upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures with respect to transactions effected by our members, officers and employees for their personal accounts (3). In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

(3) For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

- B. If our firm or a *related person* invests in the same securities (or related securities, *e.g.*, warrants, options or futures) that our firm or a *related person* recommends to *clients*, we are required to describe our practice and discuss the conflicts of interest this presents and generally how we address the conflicts that arise in connection with personal trading.

See Item 11A of this Brochure.

- C. If our firm or a *related person* recommends securities to *clients*, or buys or sells securities for *client* accounts, at or about the same time that you or a *related person* buys or sells the same securities for our firm's (or the *related person's* own) account, we are required to describe our practice and discuss the conflicts of interest it presents. We are also required to describe generally how we address conflicts that arise.

See Item 11A of this Brochure.

Item 12. Brokerage Practices

- A. Description of the factors that we consider in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Our firm does not have discretionary authority to select the broker-dealer for custodial and execution services. Our client will select the broker-dealer to safeguard client assets and authorize our firm to direct trades. Our firm does not have the discretionary authority to negotiate commissions on behalf of our client.

Where our firm does not exercise discretion over the election of the broker-dealer, it may recommend the broker-dealer to clients for execution and/or custodial services. Clients are not obligated to use the recommended broker-dealer and will not incur any extra fee or cost associated with using a broker-dealer not recommended by our firm.

Our firm typically recommends to clients that they establish their brokerage account[s] at Institutional Services division of TD Ameritrade, Inc. ("TD Ameritrade"). TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment Advisors services, which include custody of securities, trade execution, clearance and settlement of transactions. Our firm receives some benefits from TD Ameritrade through its participation in the program. Our firm considers a number of factors in selecting and/or recommending brokers and custodians for its clients' accounts, including, but not limited to, execution capability, experience and financial stability, reputation and the quality of services provided. Our firm is not affiliated with, or related to, TD Ameritrade.

- 1) Research and Other Soft Dollar Benefits. If we receive research or other products or services other than execution from a broker-dealer or a third party in connection with *client* securities transactions ("soft dollar benefits"), we are required to disclose our practices and discuss the conflicts of interest they create. Please note that we must disclose all soft dollar benefits we receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

Our firm does not receive research services, other products, or compensation as a result of recommending a particular broker that may result in the client paying higher commissions than those obtainable through other brokers.

- a. Explanation of when we use *client* brokerage commissions (or markups or markdowns) to obtain research or other products or services, and how we receive a benefit because our firm does not have to produce or pay for the research, products or services.

See Item 12A(1) of this Brochure.

- b. Incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on our *clients*' interest in receiving best execution.

See Item 12A(1) of this Brochure.

- c. Causing *clients* to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying up).

See Item 12A(1) of this Brochure.

- d. Disclosure of whether we use soft dollar benefits to service all of our *clients*' accounts or only those that paid for the benefits, as well as whether we seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generated.

See Item 12A(1) of this Brochure.

- e. Description of the types of products and services our firm or any of our *related persons* acquires with *client* brokerage commissions (or markups or markdowns) within our last fiscal year.

See Item 12A(1) of this Brochure.

- f. Explanation of the procedures we used during our last fiscal year to direct *client* transactions to a particular broker-dealer in return for soft dollar benefits we received.

See Item 12A(1) of this Brochure.

- 2) Brokerage for *Client* Referrals. If we consider, in selecting or recommending broker-dealers whether our firm or a *related person* receives *client* referrals from a broker-dealer or third party, we are required to disclose this practice and discuss the conflicts of interest it create.

Our firm does not receive brokerage for client referrals.

3) Directed Brokerage

- a. If we routinely recommend, request or require that a *client* directs us to execute transactions through a specified broker-dealer, we are required to describe our practice or policy. Further, we must explain that not all advisers require their *clients* to direct brokerage. If our firm and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, we are further required to describe the relationship and discuss the conflicts of interest it presents by explaining that through the direction of brokerage we may be unable to achieve best execution of *client* transactions, and that this practice may cost our *clients* more money.

We or any of our firm's related person do not have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected.

- b. If we permit a *client* to direct brokerage, we are required to describe our practice. If applicable, we must also explain that we may be unable to achieve best execution of your transactions. Directed brokerage may cost *clients* more money. For example, in a directed brokerage

account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices on transactions.

See Item 12A(3) of this Brochure.

- B. Discussion of whether, and under what conditions, we aggregate the purchase or sale of securities for various *client* accounts in quantities sufficient to obtain reduced transaction costs (known as bunching). If we do not bunch orders when we have the opportunity to do so, we are required to explain our practice and describe the costs to *clients* of not bunching.

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to anyone or more particular accounts, they are effected only when we believe that to do so will be in the best interest of the affected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

Item 13. Review of Accounts

- A. Review of *client* accounts or financial plans, along with a description of the frequency and nature of our review, and the titles of our *employees* who conduct the review.

We review accounts on at least a quarterly basis for our clients. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, and appropriately positioned based on market conditions.

- B. Review of *client* accounts on other than a periodic basis, along with a description of the factors that trigger a review.

We may review client accounts more frequently than described in Item 13A. Among the factors which may trigger an off-cycle review are major market or economic events, client life events, requests by clients, etc.

- C. Description of the content and indication of the frequency of written or verbal regular reports we provide to *clients* regarding their accounts.

We do not provide written reports to clients unless requested.

Item 14. Client Referrals and Other Compensation

- A. If someone who is not a *client* provides an economic benefit to our firm for providing investment advice or other advisory services to our *clients*, we must generally describe the arrangement. For purposes of this Item, economic benefits include any sales awards or other prizes.

Our firm is a Fee-Only advisor, who, in all circumstances, is compensated solely by fees earned from investment advisory services. Our firm does not receive commissions or other compensation from product sponsors, broker-dealers or any unrelated third-party.

Our firm may establish sub-advisory agreement with independent the unaffiliated registered investment advisors for their client assets managed by our firm. Our firm receives a percentage of the investment advisor fees collected from the unaffiliated registered investment advisor client. The sub-advisory agreement does not result in higher charge to clients. The unaffiliated registered investment advisor will comply with all applicable federal and state securities laws, including, without limitation, in particular, the Investment Advisers Act of 1940 and similar state laws.

B. If our firm or a *related person* directly or indirectly compensates any *person* who is not our employee for *client* referrals, we are required to describe the arrangement and the compensation.

We may pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940. Such referral fee represents a share of our investment advisory fee charged to our clients. This arrangement will not result in higher costs to you. In this regard, we maintain *Solicitors Agreements* in compliance with Rule 206 (4)-3 of the Investment Advisers Act of 1940 and applicable state and federal laws. All clients referred by Solicitors to our firm will be given full written disclosure describing the terms and fee arrangements between our firm and Solicitor(s). In cases where state law requires licensure of solicitors, we ensure that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If we are paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

Item 15. Custody

Our firm does not accept or maintain custody of any client accounts. All clients must place their assets in a qualified custodian. Clients are required to select their own custodian to retain their funds and securities and direct our firm to utilize that custodian for client's security transactions. For more information, see Item. 12 – Brokerage Practices.

While our firm does not have custody of client funds or securities, payments of fees may be paid by the custodian from the custodial brokerage account that holds the client assets. In certain jurisdictions this may be deemed constructive custody. Prior to permitting direct debit of fees each client provides written authorization permitting fees be paid direct from the custodian. Our firm will send the client and the custodian a bill showing the amount of the fee and the way in which it was calculated. The custodian sends every client an account statement not less than quarterly showing all account activity, including the amount disbursed from the account to our firm.

Item 16. Investment Discretion

If we accept *discretionary authority* to manage securities accounts on behalf of *clients*, we are required to disclose this fact and describe any limitations our *clients* may place on our authority. The following procedures are followed before we assume this authority:

Our clients need to sign a discretionary investment advisory agreement with our firm for the management of their account. This type of agreement applies to all clients. We do take or exercise discretion with respect to our clients.

Item 17. Voting Client Securities

- A. If we have, or will accept, proxy authority to vote *client* securities, we must briefly describe our voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6.

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy vote or other solicitation.

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

See Item 17A of this Brochure.

Item 18. Financial Information

- A. If we require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, we must include a balance sheet for our most recent fiscal year.

We do not require nor do we solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, therefore we have not included a balance sheet for our most recent fiscal year

- B. If we are an SEC-registered adviser and have *discretionary authority* or *custody* of *client* funds or securities, or we require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, we must disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to *clients*.

We have nothing to disclose in this regard.

Note: With respect to Items 18.A and 18.B, if we are registered or are registering only with one or more of the *state securities authorities*, the dollar amount reporting threshold for including the required balance sheet and for making the required financial condition disclosures is more than \$500 in fees per *client*, six months or more in advance.

Item 19. Requirements for State-Registered Advisors

Our firm has no additional state disclosures. Our firm believes itself to be fully compliant with all state laws and regulations with respect to our business.

**ITEM. 1 COVER PAGE FOR
PART 2B OF FORM ADV:
BROCHURE SUPPLEMENT
DATED MARCH 26, 2011**

**PLUS SIGMA, INC.
2100 KOHLER DRIVE
BOULDER, CO 80305
888-818-6500**

FOR

**JOHN C. HERMAN, CFP®
CHIEF EXECUTIVE OFFICER**

This brochure supplement provides information about John C. Herman, CFP®, that supplements the Plus Sigma, Inc. brochure. You should have received a copy of that brochure. Please contact John C. Herman, CFP®, Chief Compliance Officer if you did not receive Plus Sigma, Inc.'s brochure or if you have any questions about the content of this supplement

Additional information about John C. Herman, CFP®, (Individual CRD# 2621073), is available on the SEC's website at www.adviserinfo.sec.gov .

Item 2. Educational Background and Business Experience

John C. Herman, CFP®	Chief Executive and Chief Compliance Officer
Born:	1956
Education:	Pennsylvania State University, B.S., Finance, 1980 UCLA, Post Graduate Studies in Accounting, 1985 College of Financial Planning, CFP® Certification, 1995
Background:	Plus Sigma, Inc., Founder/CEO, 1996-present Xélan, Inc., Vice President, 1995-2002 Mercer Global Advisors, COO, 1992- 1995 Mercer Global Advisors, FA, 1988-1992 Polaroid, Analyst, 1984-1988

Item 3. Disciplinary Information

We are required to disclose whether there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of the *supervised person*.

There are no legal or disciplinary events to disclose regarding John C. Herman.

Item 4. Other Business Activities

Mr. Herman is founder and principal with Plus Sigma, Inc. He dedicates his business activity to furnishing investment supervisory services to clients. This activity includes the provision of continues advice concerning investment of monies consistent with the circumstances, preferences, and objectives of each client. Mr. Herman has no other business activities.

Item 5. Additional Compensation

Mr. Herman is compensated solely by Plus Sigma, Inc. for the services provided to clients. Mr. Herman does not receive any additional compensation or economic benefit from any unaffiliated person, company or organization in connection with the services provided to clients of Plus Sigma, Inc.

Item 6. Supervision

Mr. Herman supervises all operational and administrative functions of Plus Sigma, Inc. Certain operational and administrative functions are outsourced to responsible third-parties. Mr. Herman's full contact information is included on the cover of this Brochure Supplement.

Plus Sigma, Inc. has implemented a Code of Ethics and internal compliance that guide each employee in meeting their fiduciary obligations to its clients. Plus Sigma, Inc. is subject to regulatory oversight by various agencies. These agencies require registration by Plus Sigma, Inc. and its employees. As a registered entity, Plus Sigma, Inc. is subject to examinations by regulators. Plus Sigma, Inc. is required to periodically update the information provided to these agencies and to provide various reports regarding firm business and assets.

Certified Financial Planner Designation - The CERTIFIED FINANCIAL PLANNER™, CFP® professional certification mark granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”). The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® 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). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- *Examination* – Pass the comprehensive CFP® 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® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- *Continuing Education* – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- *Ethics* – Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.