

Form ADV Part IIA

GR Capital Asset Management, LLC

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This brochure provides information about the qualifications and business practices of GR Capital Asset Management, LLC. If you have any questions about the contents of this brochure, please contact us at (800) 805-7526. 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 GR Capital Asset Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

There were no material changes since our last annual amendment, dated December 31, 2010, other than changes made to conform to the new disclosure requirements required under the new Part 2A of Form ADV.

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#4 Describe your advisory firm, including how long you have been in business. Identify principal owners.

Todd Allen Rustman is the owner of GR Capital Asset Management (“GRCAM”), The RIA was founded in September 2000. We have a growing number of Wealth Managers, Associate Wealth Managers and Associates working as a team within the firm. Todd Rustman, in particular, has been in the advisory/wealth management business for 18 years. He has worked for Long Term Credit Bank of Japan (LTC B), PIMCO, Mellon Private Asset Management and Kayne Anderson Investment Management before starting GRCAM.

B. We perform financial planning services for an hourly fee, retainer or project fee. We also utilize many of the highest end wealth management techniques, allocations and income strategies to protect and grow our client's portfolios. By coordinating in a team approach with our Client's other advisors, we achieve greater synergies in tax efficiency, asset protection and legacy planning. We operate as an RIA and are also licensed with a broker-dealer, Royal Alliance Associates, to help ensure the most open architecture as possible for our Client's investment needs.

C. With every Client, we tailor our investment choices to their specific goals, income and growth needs, and time horizon. Clients are encouraged to participate as a partner in traveling their individual financial journey. Clients can and have requested special restrictions on the types of industries we invest in and/or how illiquid all investments must be.

D. GRCAM does participate in wrap fee programs, where we evaluate other managers on a quarterly and annual basis, especially to add expertise and scale to the services we can offer to our Clients. In wrap fee accounts, we are evaluating the managers on a wide array of different parameters, such as style drift, performance, diversification, turnover, to name a few. In the case, where GRCAM is manager, we are doing the investment selection, providing an almost surgical approach to diversification and ensuring no stock overlap. In both cases, our open architecture and transparency enables our Clients to see the fee being charged on a quarterly basis, and, in wrap fee instances, we are paid a portion of the wrap fee with the specific manager chosen.

VISION2020 ADVISOR PROGRAM

We offer the VISION2020 Advisor Program (“V2A”) which provides comprehensive investment management of your assets through the application of asset allocation planning software as well as the provision of execution, clearing and custodial services through Pershing.

V2A provides risk tolerance assessment, efficient frontier plotting, fund profiling and performance data, and portfolio optimization and re-balancing tools. Utilizing these tools, and based on your responses to a risk tolerance questionnaire (“Questionnaire”) and/or discussions that we have together regarding among other things, investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation, we construct a portfolio of investments for you. This portfolio may consist of mutual funds, exchange traded funds, equities, options, debt securities,

variable life, and/or variable annuity sub-accounts (certain restrictions may apply) or other investments.

Each portfolio is designed to meet your individual needs, stated goals and objectives. Additionally, you have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

For further V2A details, please see the V2A Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in V2A. Please read it thoroughly before investing.

VISION2020 WEALTH MANAGEMENT PLATFORM – MODEL PORTFOLIOS PROGRAM

The Wealth Management Platform - Model Portfolios Program ("Model Program") offers Clients managed asset allocation models ("Asset Allocation Models") of mutual funds or exchange traded funds ("ETFs") diversified across various investment styles and strategies. The Asset Allocation Models are constructed by managers ("Program Managers") such as Russell Investment Management Company, ICON Advisers, Inc. and Morningstar Associates, LLC.

Based upon the risk tolerance of each Client, the Model Program utilizes a system that selects a specific Asset Allocation Model which may contain either 1) a combination of mutual funds or 2) a combination of exchange traded funds ("ETFs") depending on which Program Manager is used. Together, we will select a recommended Asset Allocation Model. After the Asset Allocation Model is chosen, we, with the assistance of the Model Program sponsor, will open a Model Program account. Your assets will be invested in the specific investments contained within the recommended Asset Allocation Model. You have the opportunity to place reasonable restrictions on investments held within the Model Program account.

For further Model Program details, including a full list of Program Managers, please see the Model Program Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in the Model Program. Please read it thoroughly before investing.

VISION2020 WEALTH MANAGEMENT PLATFORM – SMA AND UMA PROGRAM

The Wealth Management Platform – SMA and UMA Account Program ("Wealth Managed Account Program" or "WMA") provides you with the opportunity to invest your assets across multiple investment strategies and asset classes by implementing an asset allocation strategy. WMA is a Wrap Account program that offers these advisory services along with brokerage and custodial services for a single, annual, asset-based advisory fee.

We will present you with a WMA asset allocation model ("WMA Model") for your approval which will consist of: 1) third party money managers ("WMA Managers") who will manage your WMA account according to a particular equity or fixed income model or strategy, or 2) no-load mutual funds ("Funds"), or 3) exchange traded funds ("ETFs") or any combination thereof (individually or collectively, "WMA Investments"). WMA Investments will be managed according to the selected WMA Model. WMA Investments are held within a separately managed account or a series of separately managed accounts (collectively, "SMA Account") or in one, unified managed account ("UMA Account").

We will suggest a WMA Model to you based on your responses to a risk tolerance questionnaire ("Questionnaire") and discussion that we have together regarding among other things, investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation.

In addition, you have the opportunity to place reasonable restrictions on investments held within your WMAP account.

For further WMAP details, please see the WMAP Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in WMAP. Please read it thoroughly before investing.

MANAGED ASSETS PROGRAM

The Managed Assets Program (“MAP Program”) is an investment management program that provides you with access to multiple managers who provide investment advice to you on portfolios consisting of individual stocks, bonds, exchange traded and mutual funds.

You can choose a variety of investment managers across asset classes and investment styles for a complete asset allocation strategy or seek an investment manager for a single asset class. More specifically, you will generally choose from the following three options:

- The Single Asset Category Proposal allows you to select investments in a single asset class either by asset class (e.g. US Large Cap Equity) or by investment style (e.g. US Large Cap Growth Equity).
- The Asset Allocation Proposal which allows you to allocate your investments across multiple asset classes and investment styles using multiple brokerage accounts.
- The Diversified Multi-Strategy Portfolio Proposal which allows you to allocate your investments across multiple asset classes and investment styles using a single brokerage account.

In addition, you have the opportunity to place reasonable restrictions on investments held within your MAP Program account.

For further MAP Program details, please see the MAP Program Wrap Fee Brochure. We provide this brochure to you prior to or concurrent with your enrollment in WMAP. Please read it thoroughly before investing.

THIRD PARTY ADVISORY SERVICES

We offer our clients the services of various third party investment advisors (“Third-Party Advisory Services”) for the provision of certain investment advisory programs including mutual fund wrap and separately managed account programs.

If you are interested in learning more about any of these services, please note that a complete description of the programs, services, fees and payment structure, and termination features is available via the applicable Third Party Advisory Service’s disclosure brochures, investment advisory contracts, and account opening documents.

In connection with these arrangements, we will provide assistance in the selection and ongoing monitoring of a particular Third-Party Advisory Service. Factors that we consider in the selection of a particular third-party advisor may include but may not be limited to: i) our assessment of a particular Third-Party Advisory Service; ii) your risk tolerance, goals, objectives and restrictions, as well as investment experience; and, iii) the assets you have available for investment.

You should know that the services provided by us through the use of Third-Party Advisory Services are under certain conditions directly offered by them to you. The fees charged by Third-Party Advisory Services who offer their programs directly to you may be more or less than the combined fees charged by the Third Party Advisory Service and us for our participation in the investment programs. However, when using the services of Third-Party Advisory Services directly, you do not receive our expertise in developing an investment strategy, selecting a Third-Party Advisory Service, monitoring the performance of your account and changing a Third-Party Advisory Service provider when appropriate.

RASA ACCOUNTS

WE OFFER RASA 044 ACCOUNTS ("RASA") AS A NON-COMMISSIONABLE ADVISORY ACCOUNT WHERE WE CAN PURCHASE LOAD WAIVED AND NO-LOAD MUTUAL FUNDS AND OTHER EQUITY, DEBT AND OPTION SECURITIES FOR YOU. OUR ADVISORY REPRESENTATIVE WILL OBTAIN THE RELEVANT FINANCIAL DATA FROM YOU AND ASSIST YOU IN THE SELECTION OF SUITABLE INVESTMENTS. WE WILL BASE OUR INVESTMENT STRATEGY ON YOUR SPECIFIC GOALS AND SITUATION. IN ADDITION, YOU HAVE THE OPPORTUNITY TO PLACE REASONABLE RESTRICTIONS ON INVESTMENTS HELD WITHIN YOUR RASA ACCOUNT.

FINANCIAL PLANNING

We provide a variety of financial planning services to you regarding the management of your financial resources, based upon an analysis of your needs. Generally, such financial planning services will involve preparing a financial program for you based on your financial circumstances and objectives. This information typically covers present and anticipated assets and liabilities, including insurance, savings, investments and anticipated retirement or other employee benefits.

Our financial planning typically includes general recommendations for a course of activity or specific actions that you should take. For example, recommendations may be made that the Clients obtain insurance or revise existing coverage, establish an individual retirement account, increase or decrease funds held in savings accounts or to invest funds in certain securities.

Other financial planning services that we may provide include ongoing financial counseling, account review, securities research and other advisory services related to investments.

FINANCIAL PLANNING SERVICES TO BE PROVIDED TO YOU WILL BE OUTLINED ON THE CLIENT AGREEMENT THAT YOU SIGN WITH US.

E. We do manage assets, on a discretionary basis we manage \$40,100,054 and the non-discretionary amount is \$29,987,663 as of March 31, 2011 (a total of \$70,087,717) We also have members of GRCAM who are Investment Advisor Representatives of WHJR Associates (SEC RIA) and Royal Alliance Associates (SEC RIA).

Item 5: Fees and Compensation

VISION2020 ADVISOR PROGRAM

We offer V2A as an account billed with separate advisory fees and transaction charges ("Non-Wrap Account"). As such, in addition to the quarterly account fee described below, you will also pay separate per-trade transaction charges. Please see the V2A Wrap Fee Program Brochure for a complete list of transaction charges.

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate after the first five days, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary V2A fees may apply. Please see the V2A Wrap Fee Program Brochure for further details.

FOR ASSETS \$100k to \$5 million*	1.25%
\$5 million to \$10 million	1.00%
\$10 million plus	negotiable

**a lower fee schedule may apply if portfolio is 100% fixed income.*

VISION2020 MODELFOLIOS PROGRAM

We offer Modelfolios as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate after the first five days, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary Modelfolios fees may apply. Please see the Modelfolios Wrap Fee Program Brochure for further details

FOR ASSETS \$100k to \$5 million*	1.25%
\$5 million to \$10 million	1.00%
\$10 million plus	negotiable

**a lower fee schedule may apply if portfolio is 100% fixed income.*

ISION2020 WEALTH MANAGEMENT PLATFORM – MODEL PORTFOLIOS PROGRAM

We offer the Model Program as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

You will pay a quarterly account fee, in advance, based upon the market value of the assets

held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate after the first five days, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary Model Program fees may apply. Please see the Model Program Wrap Fee Program Brochure for further details.

FOR ASSETS \$100k to \$5 million*	1.25%
\$5 million to \$10 million	1.00%
\$10 million plus	negotiable

**a lower fee schedule may apply if portfolio is 100% fixed income.*

VISION2020 WEALTH MANAGEMENT PLATFORM – SMA AND UMA PROGRAM

We offer WMAP as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate after the first five days, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary WMAP fees may apply. Please see the WMAP Wrap Fee Program Brochure for further details.

Our WMAP account fee schedule is as follows:

FOR ASSETS \$100k to \$5 million*	1.25%
\$5 million to \$10 million	1.00%
\$10 million plus	negotiable

**a lower fee schedule may apply if portfolio is 100% fixed income.*

MANAGED ASSETS PROGRAM

We offer the MAP Program as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate after the first five days, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary MAP fees may apply. Please see the MAP Wrap Fee Program Brochure for further details.

Our MAP account fee schedule is as follows:

FOR ASSETS \$100k to \$5 million*	1.25%
\$5 million to \$10 million	1.00%
\$10 million plus	negotiable

**a lower fee schedule may apply if portfolio is 100% fixed income.*

RASA 044 ACCOUNTS

We offer RASA as an account billed with separate advisory fees and transaction charges ("Non-Wrap Account"). As such, in addition to the quarterly account fee described below, you will also pay separate per-trade transaction charges. Please see your client agreement for a complete list of transaction charges.

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate after the first five days, the account fee will be credited back to you on a pro-rata basis for the unused portion of the billing period.

Our RASA fee schedule is as follows:

FOR ASSETS \$100k to \$5 million*	1.25%
\$5 million to \$10 million	1.00%
\$10 million plus	negotiable

**a lower fee schedule may apply if portfolio is 100% fixed income, some legacy accounts may be at a lower fee.*

FINANCIAL PLANNING

- 1) Fee Schedule: We charge for Financial Planning in a variety of ways to give our Clients choices. We can charge by an annual or quarterly retainer, hourly (Wealth Manager hourly fee starts at \$250/hour) or on a per project/quoted basis.
- 2) Fees may be deducted from the account (preferred) or paid via check or debit from an alternative account.
- 3) If a Client terminates, fees for unused retainer or project work are refunded to the Client, on a pro-rata basis.

When you receive financial planning services you may also purchase securities or insurance products offered through Royal Alliance pursuant to the plan or consultation. Members of our Firm may receive commissions as Registered Representatives of Royal Alliance or insurance agents in connection with such transactions. Thus, we may have a conflict of interest when providing financial planning services to you as there may be an incentive for us to recommend specific courses of action through our financial planning services that may lead to members of our Firm receiving additional compensation.

Please be aware that you are under no obligation to purchase products or services recommended by us or members of our Firm in connection with our providing you with financial planning services, or any advisory service that we offer.

Variable annuity companies generally impose internal fees and expenses on your variable annuity investment, including contingent deferred sales charges and early redemption fees. In addition, variable annuity companies generally impose mortality charges of approximately 1.25% annually. These fees are in addition to the fees and expenses referenced above. Complete details of such internal expenses are specified and disclosed in each variable annuity company's prospectus. Please review the Variable Annuity prospectus for full details.

In addition to the per-trade transaction charges referenced above, you will also be subject to per-trade confirmation fees as disclosed on your trade confirmation (typically \$4.00 per trade) and an additional fee of \$1.50 for each trade confirmation that you do not elect to receive electronically. You may also be subject to an additional, per-trade transaction charge on the selling of certain securities as disclosed on your trade confirmation (generally less than \$1.00 on trades of \$50,000 or less). These fees are not shared with us but are transaction charges paid to Royal Alliance and our custodian. Please see Item 10 which explains our relationship with Royal Alliance.

In addition to providing advisory services, our Advisory Representatives will likely also sell you securities products and other investment and insurance products in their capacity as registered representatives of Royal Alliance and as licensed insurance agents. We will receive additional compensation in connection with this activity and the amount of compensation will depend on the type of product purchased. We will have a greater financial incentive to sell certain products as opposed to others (for example, in the case of mutual funds those that have a higher 12b-1 fee than others). While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

There are additional fees relating to IRA and Qualified Retirement Plan accounts that you may incur such as maintenance and termination fees. You will find these fees disclosed in the account application paperwork provided to you associated with these accounts.

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

Not applicable. We do not charge performance-based fees.

Item 7: Types of Clients

The account minimum for V2A is generally \$50,000. Each Third Party Advisory Service that we offer has their own account minimum. Their account minimums are disclosed to you through their own Form ADV and associated paperwork that will be presented to you.

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

Methods of Analysis:

When analyzing investments that may be right for you, we use both Fundamental and Technical Analysis. Fundamental analysis is security analysis grounded in basic factors such as company earnings, balance sheet variables and management quality which are used to predict the future value of an investment. Information such as interest rates, GDP, inflation and unemployment may be used to predict the direction of the economy and therefore the stock market. Technical analysis is the practice of using statistics to determine trends in security prices and make or recommend investment decisions based on those trends. Technical analysis focuses on matters such as trade volume, demand, and volatility to help determine the market forces at work on a certain

security or on the securities market as a whole.

Investment Strategies:

Subject to suitability requirements, we generally advise the long-term purchase of various investments, typically including both marketable securities and market alternatives. As an independent, boutique firm, we do our best to incorporate and include as much diversification as possible to achieve our Client's goals and objectives. In that light, we include equities, fixed income, ETFs, mutual funds, separate account managers, option strategies, market alternatives and insurance-related/guaranteed solutions. We are significantly long term focused to allow for market inefficiencies to happen along the journey to meeting our Client's goals. Long-term purchases are typically defined as the purchase of securities held for at least a year.

Methods of Analysis Risks:

Fundamental Analysis – When using Fundamental Analysis, we generally rely on, among other things, company earnings, balance sheet variables and management quality which are used to predict the future value of an investment. Data we review is generally considered reliable but we can not guarantee nor have we verified its accuracy. In addition, the data that we review is sometimes subjective in nature and open to interpretation. Even if our data and interpretation of the data is correct, there may be other factors that determine the value of securities other than those considered in Fundamental Analysis.

Technical Analysis – When using Technical analysis we review statistics to determine trends in security prices and make our investment decisions based on those trends. This analysis may only be able to predict how an investment will perform short-term. In addition, this analysis does not take into account, the more fundamental properties of what an investment may be worth such as company performance and balance sheet variables which may play a part in determining the value of an investment.

Investment Strategy Risks:

Long-term purchases – Using a long-term purchase strategy generally assumes the Financial Markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall Financial Markets advance. Purchasing investments long-term may create an opportunity cost - “locking-up” assets that may be better utilized in the short-term in other investments.

Short-term purchases – Using a short-term purchase strategy generally assumes that we can predict how Financial Markets will perform in the short-term which may be very difficult. There are many factors that can effect Financial Market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

Margin – Using margin involves the use of leverage by borrowing money to purchase securities. If the price of the purchased security decreases, you risk losing significantly more money than your initial investment. Further risks are disclosed in the margin agreement you will sign before we engage your account in this activity.

Security Type Risks:

Stocks – Investing in stocks involves the assumption of risk including:

- DI. Financial Risk: which is the risk that the companies we recommend to you may perform poorly which will effect the price of your investment.
- DII. Market Risk: which is the risk that the Stock Market will decline, decreasing the value of the securities we recommend to you with it.
- DIII. Inflation Risk: which is the risk that the rate of price increases in the economy deteriorates the returns associated with the stock.
- DIV. Political and Governmental Risk: which is the risk that the value of your investment may change with the introduction of new laws or regulations.

Bonds – Investing in bonds involves the assumption of risk including:

- DV. Interest Rate Risk: which is the risk that the value of the bond investments we recommend to you will fall if interest rates rise.
- DVI. Call Risk: which is the risk that your bond investment will be called or purchased back from you when conditions are favorable to the bond issuer and unfavorable to you.
- DVII. Default Risk: which is the risk that the bond issuer may be unable to pay you the contractual interest or principal on the bond in a timely manner or at all.
- DVIII. Inflation Risk: which is the risk that the rate of price increases in the economy deteriorates the returns associated with the bond.

Mutual Funds – Investing in mutual funds involves the assumption of risk including:

- DIX. Manager Risk: which is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.
- DX. Market Risk: which is the risk that the Stock Market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you.
- DXI. Industry Risk: which is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.
- DXII. Inflation Risk: which is the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.

Associated Risks:

When using Fundamental Analysis, we generally rely on, among other things, company earnings, balance sheet variables and management quality which are used to predict the future value of an investment. Data we review is generally considered reliable but we can not guarantee nor have we verified its accuracy. In addition, the data that we review is sometimes subjective in nature and open to interpretation. Even if our data and interpretation of the data is correct, there may be other factors that determine the value of securities other than those considered in Fundamental Analysis.

When using Technical Analysis we review statistics to determine trends in security prices and make our investment decisions based on those trends. This analysis may only be able to predict how an investment will perform short-term. In addition, this analysis does not take into account, the more fundamental properties of what an investment may be worth such as company performance and balance sheet variables which may play a part in determining the value of an investment.

When pursuing our long-term purchases strategy, we are assuming the Financial Markets will go up in the long-term which may not be the case. There is also the risk that the segment of the

market that you are invested in or perhaps just your particular investment will go down over time even if the overall Financial Markets advance. In addition, purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

In addition, all of our implemented strategies also include the following risks:

- Manager Risk: which is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.
- Market Risk: which is the risk that the Stock Market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you.
- Industry Risk: which is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.
- Inflation Risk: which is the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.

Listed above are some of the primary risks associated with the way we recommend investments to you, please do not hesitate to contact us to discuss these risks and others in more detail. In instances where we recommend that a third party manage your assets, please refer to the third party's ADV and associated disclosure documents for details on their investment strategies, methods of analysis and associated risks.

Investing in securities involves risk of loss that you should be prepared to bear.

Item 9: Disciplinary Information

Not applicable.

Item 10: Other Financial Industry Activities and Affiliations

All representatives of our firm that provide advice to you ("Advisory Representatives") are associated with Royal Alliance Associates, Inc. ("Royal Alliance") as Registered Representatives. Royal Alliance is a diversified financial services company registered with the Financial Industry Regulatory Authority ("FINRA") as a broker-dealer engaged in the offer and sale of securities products. Our Advisory Representatives may recommend the purchase of securities offered by Royal Alliance. If you purchase these products through them, they will receive normal commissions which may be in addition to customary advisory fees. As such, Advisory Representatives may have an incentive to sell you commissionable products in addition to providing you with advisory services when such commissionable products may not be suitable. Alternatively, they may have an incentive to forego providing you with advisory services when appropriate, and instead recommend the purchase of commissionable investments, if they deem that the payout for recommending the purchase of these investments would be higher than providing management advice on these products for an advisory fee. Therefore, a conflict of interest may exist between their interests and your best interests.

While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

Please be aware that you are under no obligation to purchase products or services recommended by us or members of our Firm in connection with providing you with any advisory service that we offer.

CFA (Chartered Financial Analyst)

While most graduate school programs cover a broad range of topics, the CFA Program focuses specifically on investment knowledge, and the self-study format allows you to continue working full time as you progress towards earning the CFA charter.

Candidates for the CFA Program include students entering the investment field, professionals increasing their expertise and marketability, and people making a career change into the investment profession from other disciplines.

Global Recognition

With a six-decade history of maintaining a rigorous focus on globally relevant investment knowledge, [the CFA Program is the most widely known and respected investment credential in the world.](#)

Career Advantage

Employers recognize the CFA charter as the definitive standard by which to measure the competence, integrity, and dedication of serious investment professionals.

Practical Skills

The CFA Program curriculum focuses on the practical knowledge and current real-world skills necessary in the global investment management profession. [These skills are immediately useful on the job.](#)

Community

Earning the CFA charter places you in the company of an elite group of more than 90,000 respected investment professionals. [Access to their collective expertise, networks, and resources is an invaluable asset.](#)

CFP® (Certified Financial Planner)

CFP® professionals are dedicated to using the financial planning process to serve the financial needs of individuals, families and businesses. Most CFP professionals have earned a four-year college degree in a finance-related field, and have completed a course of study in financial planning approved by CFP Board.

To earn the prestigious CFP® certification and remain certified as a CFP professional, individuals must meet four main requirements.

Certification Requirements

Examination

CERTIFIED FINANCIAL PLANNER™ Professionals must successfully complete CFP Board's comprehensive certification examination, which tests an individual's knowledge on various key aspects of financial planning.

Experience

CERTIFIED FINANCIAL PLANNER Professionals must acquire three years of financial planning-related experience before receiving the right to use the CFP certification marks.

Ethics

CERTIFIED FINANCIAL PLANNER Professionals must voluntarily ascribe to CFP Board's Code of Ethics and additional requirements as mandated. CFP practitioners who violate the code can be disciplined, including permanent loss of the right to use the CFP certification marks.

Education

CERTIFIED FINANCIAL PLANNER Professionals must complete 30 hours of continuing education every two years to stay current in financial planning knowledge, including ethics.

Compliance with these four areas informs you that an individual who holds the CFP certification mark is well prepared and qualified to give sound, professional advice.

CFP®, CERTIFIED FINANCIAL PLANNER™ and federally registered CFP (with flame logo) are certification marks owned by Certified Financial Planner Board of Standards. These marks are awarded to individuals who successfully complete CFP Board's initial and ongoing certification requirements.

Chartered Life Underwriter (CLU)

What Does Chartered Life Underwriter - CLU Mean?

A professional designation for individuals who wish to specialize in life insurance and estate planning. Individuals must complete five core [courses](#) and three elective courses, and successfully pass all eight two-hour, 100-question examinations in order to receive the designation.

[Financial](#) planners with a CFP designation will often earn the CLU designation title to demonstrate their expertise in the areas of life insurance and estate planning to existing and potential clients.

Having additional knowledge in these areas gives financial planners a competitive edge over other planners with fewer credentials.

Item 11: Code of Ethics

We have adopted a Code of Ethics (the “Code”) to address securities-related conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes our policies and procedures developed to protect your interests in relation to the following topics:

- The duty at all times to place your interests first;

- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the Code and to avoid any actual or potential conflict of interest or any abuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of your security holdings and financial circumstances are confidential; and
- The principle that independence in the investment decision-making process is paramount.

We will provide a copy of the Code to you or any prospective client upon request.

We may recommend securities to you or buy or sell securities for your account at or about the same time we may buy or sell the same securities in our own account. As such, there may be instances where our interests may appear to be placed ahead of yours. To mitigate this conflict, our firm policy prohibits us from receiving a better price on our order, if you and us invest in the same security on the same side of the market on the same day.

Item 12: Brokerage Practices

As described in Item 10, our Advisory Representatives are also Registered Representatives of Royal Alliance, a FINRA registered broker-dealer. In order to meet its FINRA supervisory obligations, Royal Alliance requires that all investment advisory activities that we conduct be processed through Royal Alliance's clearing relationships with Pershing LLC ("Pershing"). As a result, we do not have the discretion to choose the broker-dealer or commission rates to be paid. However, we do believe that Pershing's blend of execution services, commission and transaction costs as well as professionalism will allow us to seek best execution and competitive prices. In connection with the provision of Third Party Advisory Services, our choice of custodian will be limited to those choices offered by the Third Party Advisory Service.

We may aggregate your orders with those of other clients in a bunched trade or trades when securities are purchased or sold. For each account that we include in the bunched trade, we must reasonably believe that the bunched order is consistent with our duty to seek best execution and may benefit you and each client participating in the aggregated order. The average price per share of each bunched trade is allocated to each account that participates in the bunched trade. Accounts that participate in the same bunched trade are charged transaction costs, if applicable, in accordance with their advisory contracts.

If a bunched order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation. Partial fills will be allocated in a way that does not consistently advantage or disadvantage particular client accounts and are generally filled pro-rata among participating accounts.

The aggregation and allocation practices of mutual funds and third party managers that we recommend to you are disclosed in the respective mutual fund prospectuses and third party manager disclosure documents which will be provided to you.

Item 13: Review of Accounts

We review Client accounts and financial plans in a frequent manner. Client accounts are reviewed no less than one time a month, or more often as market conditions may dictate. In addition, if a new Client (or an established Client that is adding additional sums of investment capital), there may

be more frequent analysis to implement the cash, or divest non-core positions or managers. Quarterly reports are sent out directly from either the Manager, or our chosen custodian.

Financial plans are reviewed no less than annually to make sure that either market or regulatory issues have changed and/or Client needs and objectives may have changed.

Generally, most positions and managers are looked at daily, to take into effect overall market conditions as well as individual investment changes.

Our reporting is generally done by computer process with 3rd party, non-firm owned businesses to provide such performance and diversification reporting.

Item 14: Client Referrals and Other Compensation

As discussed previously, all our Advisory Representatives are Registered Representatives of Royal Alliance. This arrangement requires us to offer you advisory services and programs sponsored or approved by Royal Alliance. Royal Alliance sets limits on how much we can charge you for these advisory services. Some advisory programs have higher fee limits than others. As such, there may be an incentive for us to recommend to you advisory services or programs with higher limits. In addition, Royal Alliance may charge us certain usage fees and expenses to use their advisory programs which may decrease the amount of money we make when offering investment advice to you. Therefore, there may be an incentive to provide you with advisory programs and services that may be cheaper for us to use but not as suitable to your needs as other advisory programs that Royal Alliance sponsors which may be more expensive for us to use.

In addition, Royal Alliance offers our Advisory Representatives educational, training and incentive programs for those Advisory Representatives that meet certain sales production goals. There may be an incentive for us to manage your account in ways that assist us in meeting these production goals even if such strategies may not always be suitable for your account.

Certain Third Party Advisory Service programs may provide our Advisory Representatives with the opportunity to attend training or education conferences. Such conferences include the payment or reimbursement of travel, meals and lodging expenses for attendees. Payment/reimbursement of expenses is not contingent upon sales targets or contests, but rather on total assets managed on their respective Third Party Advisory Service platforms. We may have an incentive to recommend Third Party Advisory Service programs that provide us with the above referenced opportunities over those that do not.

While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

Item 15: Custody

Not applicable, we do not maintain custody of your assets. When opening an account with us, your account assets are maintained at Pershing, LLC.

Item 16: Investment Discretion

We may manage your accounts on a discretionary basis upon obtaining your consent. Your consent is typically granted and evidenced in the client agreement that you sign with us. We define discretion as: the ability to trade your account, without obtaining your prior consent, the securities and amount of securities to be bought or sold, and the timing of the purchase or sale. It does not extend to the withdrawal or transfer of your account funds.

Item 17: Voting Client Securities

We do not have the authority to vote proxies solicited by, or with respect to, the issuers of securities held in your account. Typically, proxy materials will be forwarded to you by our custodian. We will forward proxy materials that we may receive to you. Please contact us at any time with questions you may have regarding proxy solicitations

Item 18: Financial Information

In certain circumstances our Advisory Representatives may use investment discretion in your account, subject to your approval. We are well capitalized in full compliance with applicable regulations and do not foresee any financial conditions that may impair our fulfillment of reasonable obligations or contractual commitments to you.

Item 19: Requirements for State-Registered Advisers

Not applicable at this time, we are an SEC registered investment adviser.