



H.D. Vest Advisory ServicesSM®
Advisory Program Services
Wrap Fee Brochure for:

Financial Planning

SEC File No. 801 – 29892

Investment Advisory Services of H.D. Vest Advisory ServicesSM

August 2012

This wrap fee program brochure provides information about the qualifications and business practices of H.D. Vest Advisory Services, Inc., which uses the trade name H.D. Vest Advisory ServicesSM (“HDVAS”) as well as information about our Financial Planning Program services. If you have any questions about the contents of this brochure, please contact us at (972) 870-6000. This information has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about H.D. Vest Advisory Services is also available at www.adviserinfo.sec.gov.

You should review this brochure and consider its contents before investing in this Program.

Securities offered through H.D. Vest Investment ServicesSM, Member: SIPC
Advisory services offered through H.D. Vest Advisory ServicesSM
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Summary of Material Changes

The following is a summary of material changes since the last updated Financial Planning Disclosure Brochure dated March 2012 (“Disclosure Brochure”). (Please see the “Important Definitions” section for an explanation of defined terms.)

The Code of Ethics has been modified to more closely reflect the ethics expected of HDVAS and the general profession as well as to encourage professional conduct. The changes reflected are style changes. A copy of the Code of Ethics is located in the “Code of Ethics, Participation or Interest in Client Transactions and Personal Trading” section of this brochure or can be obtained by contacting your Advisory Consultant or the HDVAS Compliance department at (866) 218-8206, option 1, x4790.

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IMPORTANT DEFINITIONS

“Access Person” is a Supervised Person including directors, officers, employees and Investment Adviser Representatives (“IARs”) who has access to nonpublic information regarding clients’ purchase or sale of securities, is involved in making securities recommendations to clients or who has timely access to such recommendations that are nonpublic.

“Advisory Consultant” means the HDVAS Advisory Consultant performing the Financial Planning services.

“Brochure Supplement” means Form ADV – Part 2B Supplement Disclosure Document that describes your Advisory Consultant’s background, credentials and other material information.

“Client,” “you,” and “your” means the person(s) or organization(s) that contract with us for services.

“Client Profile Questionnaire” or the **“Profile”** means the questionnaire that collects information about your investment objective, risk tolerance and financial situation and is required to open an Account.

“Code of Ethics” means the code adopted by HDVAS setting out the ethical principles of the Firm.

“Disclosure Brochure” means this document which provides important information about *Financial Planning* services.

“First Clearing” or “FCC” means First Clearing, LLC, the clearing broker-dealer that provides custodial and execution services pursuant to a clearing agreement with HDVIS.

“Financial Planning Program” or “Program” means services that entail providing a financial plan for a one time flat fee.

“Financial Planning Client Agreement” means the written agreement required to participate in *Financial Planning* services which governs the terms and conditions of the Program and associated services.

“Financial Planning Questionnaire” means the document that captures Client’s financial objectives and risk tolerance.

“FINRA” means the Financial Industry Regulatory Authority, a self-regulatory organization that regulates broker-dealers.

“HDVAS,” “we,” “us” or the “Firm” means H.D. Vest Advisory Services, a wholly-owned subsidiary of H.D. Vest, Inc.

“HDVIS” means H.D. Vest Investment Services, Inc., a broker-dealer registered with the U.S. Securities and Exchange Commission, and a wholly-owned subsidiary of H.D. Vest, Inc. HDVIS is an affiliate under common control with HDVAS, and serves as the introducing broker-dealer to First Clearing.

“Program Fee” means the fee charged to Client by HDVAS for Financial Planning Program services.

“SEC” means the U.S. Securities and Exchange Commission.

“SIPC” means the federal program that protects brokerage accounts against the loss in the event of a broker-dealer member’s insolvency and liquidation by replacing missing securities and cash up to a maximum of \$500,000 per client, including \$250,000 for claims of cash. SIPC does not protect against losses from market fluctuations.

“Supervised Person” means directors, officers (or other person occupying a similar status or performing similar functions), employees, investment adviser representatives or other person who provides investment advice on behalf of the investment adviser and is subject to the supervision and control of H.D. Vest.

Advisory Business

Firm Description and Ownership

HDVAS was established in 1987 and is a wholly-owned subsidiary of H.D. Vest, Inc. HDVAS is an indirect subsidiary of HDV Holding, LLC, a company controlled by Parthenon Capital Partners. HDVAS is an affiliate of HDVIS, which is a broker-dealer registered with the SEC, and a FINRA member firm. HDVAS was created to offer ongoing consultative investment management services through investment advisory programs and Financial Planning services designed to help our clients meet their financial objectives.

Types of Advisory Services

In addition to the **Financial Planning** Program services, HDVAS offers a number of programs that are designed to help clients meet their investment objectives and goals. They include:

- Separately Managed Account Programs
- Mutual Fund Advisory Programs
- Advisory Consultant Directed Programs
- Client Directed Programs

Descriptions of the services and fees for other programs are provided in other disclosure documents related to the specific programs, copies of which are available to you upon request.

While this information does not apply to the Financial Planning Program service described in this Disclosure Brochure, as of July 2012, HDVAS manages approximately \$1.3 billion of client assets on a discretionary basis and \$4.9 billion of client assets on a non-discretionary basis.

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Financial Planning Program Services

The Financial Planning Program services includes a meeting, via any means of communication, between the Advisory Consultant and Client. Prior to or at the time of the meeting, the Client will provide financial data that is used to prepare a financial report. This report constitutes the “financial plan” for purposes of the Financial Planning Client Agreement.. The financial areas of consideration for these services may include some or all of, and are not necessarily limited to: your overall financial position, including cash flow; protection and risk; income tax strategies; retirement; education funding; investments; legacy and/or estate planning; and other necessary topics depending upon your specific financial situation. The extent to which you engage in examining some or all of these financial areas will depend upon your specific financial situation and goals that you provide in the Financial Planning Questionnaire.

Financial Planning Program services may involve recommendations regarding general asset classes (e.g., equities both domestic and foreign), debt (both long-term and short-term), government securities, and municipal securities or general types of investment vehicles (e.g., mutual funds, variable annuities, variable life insurance, partnerships, tax-advantaged retirement savings and education saving vehicles), concentrated equity strategies, stock option analysis, private money management alternatives, retirement planning strategies, estate planning strategies, philanthropic planning, margin transactions, education suggestions in which Client may invest. Investment techniques and strategies recommended in a financial plan generally will involve long-term or short-term holdings of securities or other investment products, and insurance and trust strategies, depending on Client’s financial goals, objectives and desires. HDVAS is under no obligation to update the financial plan.

Some or all of the following factors may be analyzed:

- Risk Tolerance

- Income Requirements
- Tax Implications
- Liquidity Needs
- Investment Objectives
- Time Horizon
- Investment Experience

The Financial Plan incorporates some or all of the following standard modules:

- Summary of Financial Goals;
- Summary of Action Plan;
- Analysis of Personal Net Worth, including computation of balance sheet;
- Education Planning;
- Debt Management / Cash Flow Analysis
- Asset Allocation
- Retirement Planning
- Insurance needs analysis; and
- Estate Planning, including estate valuation estimates, federal estate tax estimates, and explanation of estate planning strategies.

The following sections outline the responsibilities of the Advisory Consultant and HDVAS.

Services offered by the Advisory Consultant for the Financial Planning Program may include:

- Educating investors
- Gathering data to be used in the preparation of the plan
- Presenting the portfolio recommendation and allocation based on the information provided.
- Research and recommendation of investment products

Services provided by HDVAS for the Financial Planning Program may include:

- Collecting fees
- Maintaining the registrations of HDVAS and all Advisory Consultants with the SEC and appropriate state agencies
- Supervising activities of all Advisory Consultants

Unless otherwise specifically agreed to, HDVAS shall have no duties or obligations with respect to the implementation of Client's financial plan and shall have no duty or obligations to provide investment advisory or investment management services to Clients that are outside the scope of the services discussed above. The advisory relationship begins upon Clients written acceptance to engage in these services and ends upon delivery of the financial plan to Client. By providing a financial plan, neither HDVAS nor your Advisory Consultant is acting as a fiduciary for purposes of the Employee Retirement Income Security Act of 1974, as amended (ERISA) or section 4975 of the Internal Revenue Code ("the Code") with respect to any ERISA-covered employee benefit plan or any individual retirement account in either the planning, execution or provision of this analysis.

HDVAS and Client's Advisory Consultant will not provide legal or accounting advice, and any fees payable by Client under the Financial Planning Client Agreement cover only the services rendered by HDVAS and Client's Advisory Consultant. In this regard, HDVAS and Client's Advisory Consultant are not responsible for drafting or providing any legal or other documentation, or taking any other action relating to or arising from implementation of Client's financial plan (subject to the considerations set forth in the following paragraph).

Services Tailored to Individual Client Needs

Each of the advisory services we offer is tailored to the Client and designed to meet their individual investment objectives, financial needs and tolerance of risk. They are drawn from research and analysis we believe to be reliable and appropriate to your financial circumstances.

Portfolio Management Services

HDVAS acts as portfolio manager for certain wrap fee advisory programs that it offers to Clients and collects a fee for performing that service. HDVAS does not act as a portfolio manager for the services described in this brochure.

Fees and Compensation

The Advisory Consultant recommending the Financial Planning Program to the Client receives compensation as a result of the Client's participation in the Program. The amount of this compensation may be more than what the Advisory Consultant would receive if the Client participated in other HDVAS programs or paid separately for investment advice and brokerage and other Client services. Therefore, the Advisory Consultant may have a financial incentive to recommend Financial Planning Program over other programs and services.

All fees for the above services are negotiated between the Client and the Advisory Consultant. The actual charge for the Financial Planning Program services, as stated above, is disclosed in the Financial Planning Client Agreement. The advisory fee is paid to HDVAS, of which 85% to 90% is paid to the Advisory Consultant depending on his/her payout level.

Factors bearing upon the relative cost of the Program include:

- The complexity and volume of the information provided by the Client
- The complexity of services requested

Client may elect to implement a financial plan in whole or in part through HDVAS, but under no obligation to do so. In the event Client elects to implement a financial plan through HDVAS, Client is responsible for all fees and expenses (such as investment management fees and brokerage expenses) incurred in connection with the implementation of a financial plan. Client will also be provided with an appropriate disclosure document or Client agreement describing the nature and extent of the services provided by HDVAS, the fees charged by HDVAS for those services and other related matters. The fees charged by HDVAS in connection with the implementation of a financial plan are in addition to the fees incurred by Client in connection with the formulation of that plan.

Termination

The Client may terminate the Financial Planning Client Agreement at any time with written notification. If fees are paid in advance, pro rata charges will apply.

Performance-Based Fees and Side-By-Side Management

HDVAS does not charge performance-based fees in any of its investment advisory programs. HDVAS does not have any side-by-side management situations.

Types of Clients

HDVAS provides the advisory services described in this Disclosure Brochure to individuals, pension or profit sharing plans, trusts, estates or charitable organizations, corporations or other business entities, and educational institutions, as well as banks or thrift institutions.

Methods of Analysis, Investment Strategies and Risk of Loss

The Firm bases its advice on capital markets assumptions and asset allocation models that it developed. Through the use of analytical tools, we may review your current asset allocation and develop a recommended asset allocation based on your individual financial goals and objectives.

The information provided by the Client is used to formulate a financial plan designed to work toward meeting your needs. The Client has an obligation to notify the Advisory Consultant if there are changes to the information provided, including but not limited to the Client's financial situation, investment objectives, or risk tolerance.

Risk of Loss

If you choose to implement any portion of your plan through us, please be aware that all investments shall be at your risk exclusively, and you must understand that we do not guarantee any return on the investments recommended or advised upon.

Disciplinary Information

HDVAS is an investment adviser registered with the SEC. In the past 10 years, HDVAS has not been involved in any material disciplinary events as an investment adviser.

To obtain information about HDVAS' disciplinary history, or to verify HDVAS has not been involved in any material disciplinary event, you may visit:

<http://www.adviserinfo.sec.gov/>

For more information on any broker/dealer related disciplinary events of HDVIS or First Clearing you may visit:

<http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/>

Other Financial Industry Activities and Affiliations

HDVAS is a national investment advisory firm providing advisory and other financial services to individuals, pension and profit sharing plans, charitable organizations, corporations or other businesses. Companies affiliated with and/or under the same control with HDVAS include H.D. Vest, Inc., the parent company of HDVAS, HDVIS and H.D. Vest Insurance Agency, LLC "HDVIA". HDVAS may recommend that clients use HDVIS or HDVIA to implement investment strategies. HDVIS, a registered broker-dealer and member of FINRA and SIPC, provides brokerage services to HDVAS clients.

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

Code of Ethics

Clients of H.D. Vest Advisory Services ("H.D. Vest") are entitled to expect high ethical standards of conduct in all of their dealings with us. H.D. Vest strives to foster a culture that supports our ability to meet our clients' expectations. To assist us in minimizing potential conflicts and prevent inappropriate activity, we have developed a Code of Ethics ("COE").

Definitions

A “Supervised Person” means directors, officers (or other person occupying a similar status or performing similar functions), employees, investment adviser representatives or other person who provides investment advice on behalf of the investment adviser and is subject to the supervision and control of H.D. Vest.

An “Access Person” is a Supervised Person including directors, officers, employees and Investment Adviser Representatives (“IARs”) who has access to nonpublic information regarding clients’ purchase or sale of securities, is involved in making securities recommendations to clients or who has timely access to such recommendations that are nonpublic.

All Access Persons must adhere to this COE. Portions of the COE, identified throughout this document, extend to Supervised Persons such as officers and directors that do not have access to non-public information regarding client’s purchase or sale of securities, is involved in making securities recommendations to clients or who has timely access to such recommendations that are nonpublic. In addition, portions of the COE also extend to the trading activity of the Access Person’s immediate family (relative by blood or marriage living in the Access Person’s household or any account in which the Access Person has a direct or indirect beneficial interest, such as a trust).

Standards of Conduct

The following principals will be the foundation on which H.D. Vest will build our reputation for being committed to ethical activities.

- **Integrity:** Strong adherence to a strict code of moral values is the foundation of ethical behavior. The position of trust we are placed in mandates that we perform our duty according to the strictest codes of honesty and integrity.
- **Competence:** This is a measure of a person’s ability to perform a duty. The duties we are required to perform include satisfying our clients’ needs and complying with all applicable laws and procedures. It is our desire to see that in fulfilling these obligations, we employ and continually strive to achieve the utmost competence and good faith. Where necessary, this includes acquiring additional training to ensure competency and proficiency.
- **Professionalism:** Crucial to proper business conduct is the ability to act in a professional manner. The professionalism presented to clients and the public speaks more loudly than any statement that can be made. Professionalism should provide those around us with a positive experience, which includes disclosing compensation that is received. It is unprofessional to engage in any conduct which reflects adversely upon ourselves, our colleagues, H.D. Vest, or the profession.
- **Fiduciary Duty:** This capacity requires that when conducting business and dealing with clients, it is always the clients’ best interests that are served first. It is paramount that conflicts are disclosed and every effort is made to direct conflict situations to conclusions that benefit clients, based on their suitability.
- **Objectivity:** When making decisions and providing advice, it is fundamental that we do so without distorting the facts by personal prejudices or feelings. Every effort should be made to ensure that decisions made and conclusions drawn are free from emotional influences.

The principles listed above should govern conduct of all Supervised Persons, although more specific guidelines on conduct are outlined below or in the relevant rules and regulations, and in the H.D. Vest Compliance Manual(s).

Access Persons are not permitted, in connection with the purchase or sale, directly or indirectly, of a security held or to be acquired by a client:

- a. To defraud such client in any manner;*
- b. To mislead such client, including by making a statement that omits material facts;*
- c. To engage in any act, practice or course of conduct which operates or would operate as a fraud or deceit upon such client;*
- d. To engage in any manipulative practice with respect to such client; or*
- e. To engage in any manipulative practice with respect to securities, including price manipulation.*

Access Persons are required to comply with all applicable city, state, and federal securities laws and the H.D. Vest Compliance Manual(s).

Personal Securities Transactions

Access Persons agree to abide by the rules set forth in the applicable compliance manual(s) regarding personal trading.

Access Persons must report all personal securities holdings to their designated supervisor at the time they become an Access Person and at least once per year thereafter. Reporting personal securities holdings may be accomplished by ensuring the designated supervisor receives a duplicate copy of the statement of any accounts in which the Access Person has a beneficial interest. An Access Person is presumed to be a beneficial owner of securities that are held by his or her immediate family members sharing the Access Person's household. The statement must be current as of a date not more than 45 days prior to submission. Access Persons are required to have statements of personal securities transactions submitted to their designated supervisor no later than 30 days after the end of each calendar quarter (April 30, July 30, October 30, and January 30).

There are two exceptions to personal securities transactions covered by the COE:

- 1. Transactions effected pursuant to an automatic investment plan.*
- 2. Securities held in accounts over which the Access Person had no direct or indirect influence or control.*

Securities Covered by the COE

“Security” means any stock, bond, future, investment contract or any other instrument that is considered a security under the Investment Advisers Act of 1940, including:

- Options on securities, on indexes, and on currencies;*
- All kinds of limited partnerships;*
- Foreign unit trusts and foreign mutual funds; and*
- Private investment funds, hedge funds, and investment clubs.*

There are five exceptions for Securities covered by the COE:

- Direct obligations of the U. S. Government;*

- Money market instruments;
- Shares of money market funds;
- Shares of mutual funds (unless the adviser or a control affiliate acts as the adviser or principal underwriter for the fund); and
- Units of a UIT if the UIT is invested exclusively in unaffiliated mutual funds.

Per Rule 204A-1, Access Persons are required to obtain written pre-approval prior to investing in Initial Public Offerings (“IPOs”) or limited partnerships.

Insider Trading

Supervised Persons shall not effect securities transactions in a particular security while in possession of material, non-public information, generally known as Insider Trading.

Conflicts of Interest

As a fiduciary, H.D. Vest has an affirmative duty of care, loyalty, honesty, and good faith to act in the best interests of its clients. Compliance with this duty can be achieved by trying to avoid conflicts of interest and by fully disclosing all material facts concerning any conflict that does arise with respect to any client. Access Persons must try to avoid situations that have the appearance of conflict or impropriety.

H.D. Vest utilizes the Form ADV Part II (“Disclosure Document”) to disclose general conflicts of interest to clients.

Confidentiality

Supervised Persons are reminded of their responsibility under Regulation S-P and firm policies to ensure the confidentiality of all client information, including personal, information, client account holdings and recommendations, for current and former clients, is protected.

Reporting Violations

Supervised Persons are required to report suspected violations of the COE to the Chief Compliance Officer (“CCO”). Reports of suspected violations may be directed through the Supervised Persons supervisor, who is required to report all suspected violations to the CCO. All reports of suspected violations of the COE will be investigated by the CCO or an appropriate designee. Any confirmed violation of the COE will be documented and reported to management of H.D. Vest by the CCO.

H.D. Vest Obligation to Protect Supervised Persons Who Report Violations

H.D. Vest respects the integrity of those who report possible violations of the COE and feels an obligation to protect reporters from possible retaliation. Instances of retaliation are considered a violation of the COE and could result in the same disciplinary sanctions as any other violation. H.D. Vest will take all measures available to protect the identity of persons who report possible violations of the COE. Should it be determined by H.D. Vest that a person is reporting violations of the COE as a form of harassment against a Supervised Person, the reporter may be found to have violated the COE and will be subject to sanctions.

Additional Guidance

The H.D. Vest CCO or a representative of the Compliance department is available to Supervised Persons for guidance on application of the COE to specific situations. From time to time, the CCO may determine that continuing education for all Supervised Persons or a specific group of Supervised Persons may be necessary which will be incorporated in H.D. Vest’s annual needs analysis and continuing education training plan.

Participation or Interest in Client Transactions

With regards to our Financial Planning services, Clients have the choice to implement all or a portion of the plan through us; however implementation of the plan is not a part of the Financial Planning Program services provided.

Review of Accounts/Financial Plan

The services provided under this Program represent a one-time financial plan and is not ongoing advice. You may request an updated plan by completing an updated client agreement and you may be subject to an additional fee.

Plans are reviewed by the Advisory Compliance department on a weekly basis. In some circumstances, the compliance analyst may request additional information in order to properly review the plan. Advisor earnings derived from plan will not be paid until all required information is received and approved by the Advisory Compliance department

Client Referrals and Other Compensation

HDVAS does not provide compensation for referrals to the Program.

Investment Discretion

HDVAS provides the services described above as solely on a “non-discretionary” basis, i.e., HDVAS function is to make recommendations or provide information to Client or Client’s agents, and HDVAS does not have authority to cause Client or the Client’s agents to act upon recommendations made or information provided by HDVAS to Client or Client’s agents. Each Client will at all times retain the sole discretion to elect whether or not to follow or act upon any recommendations made, advice given by HDVAS or Client’s Advisory Consultant.

Financial Information

HDVAS has no financial condition that is likely to impair our ability to meet our contractual commitments to Clients.

Other Disclosures

Your Advisory Consultant is an independent contractor of HDVAS solely for the purpose of providing investment advisory services as described in this Disclosure Brochure. In addition to the investment advisory services provided through HDVAS, he or she may provide legal, tax, accounting, audit, payroll or other products or services that are not affiliated with HDVAS. HDVAS does not support, endorse or supervise any outside activities – the responsibilities of HDVAS and its affiliates relate specifically to offering approved securities and investment advisory services. Some of these outside services may present a conflict of interest with services provided by HDVAS or its affiliates, and to the extent that is the case by entering into the Financial Planning Client Agreement you acknowledge and agree that you have considered any such conflicts, and have decided to proceed despite their existence. Please ask your Advisory Consultant and refer to the Brochure Supplement for more detailed information.

Any securities investments recommended by your Advisory Consultant must be made through HDVAS or its affiliates, and if you are asked to make any outside investments you should immediately contact the HDVAS compliance department.

HDVAS will not sell client information to other companies for marketing purposes. HDVAS employs security standards and safeguards to protect our Client's personal information and prevent fraud. In addition, HDVAS will continue to protect our Client's privacy even if they cease being our Client. For more information, please read our Privacy Statement or contact your Advisory Consultant or H.D. Vest.