

WRAP FEE PROGRAM BROCHURE FOR MANAGED WEALTH ADVANTAGE

FORM ADV – APPENDIX 1

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November 1, 2012

This brochure provides information about the qualifications and business practices of Cetera Investment Advisers LLC. In addition to Managed Wealth ADVANTAGE, Cetera Investment Advisers LLC sponsors other wrap fee programs, which separate documents describe. If you have any questions about the contents of this brochure or wish to request other brochures, please contact Advisor Services at 888.528.2987, option 2, then option 3. The U.S. Securities and Exchange Commission (SEC) and state securities authorities have not approved or verified the information in this brochure.

Cetera Investment Advisers LLC is an SEC-registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Cetera Investment Advisers LLC is available on the SEC's website at www.adviserinfo.sec.gov.

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ITEM 2 – MATERIAL CHANGES

Cetera Investment Advisers LLC maintains this brochure in response to the 2010 amendments to SEC Form ADV. It is materially different from prior MWA wrap fee disclosure brochures prior to April 1, 2011 and includes certain new information our previous filings did not require. This brochure does not describe the services Cetera Investment Advisers provides separate from the wrap fee program. These services are described in a separate Form ADV Part 2A, which is available on request. Clients of Managed Wealth ADVANTAGE may not receive the Part 2A because this brochure includes information from the Part 2A, in addition to describing the wrap fee program's investments and investment strategies.

On April 2, 2012, Cetera Financial Group, Inc. purchased Genworth Financial Investment Services, Inc., the parent of Genworth Financial Advisers Corp. (GFAC), from Genworth Financial Inc. (the Transaction). In connection with the Transaction, GFAC became a part of the Cetera Financial Group family of companies.

On or about October 31, 2012, Genworth Financial Advisers Corporation merged into Cetera Investment Advisers LLC, a Delaware limited liability company, and will continue under the name of Cetera Investment Advisers LLC. The reorganization does not result in a change of actual control or management of the investment adviser.

The firm's Chief Compliance Officer, Bryan K. Jacobsen assumed his role on April 2, 2012, after James Shay assumed the role as head of Risk Management for Cetera Financial Group.

This must remain with the Client

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ITEM 4 – SERVICE, FEES AND COMPENSATION

SERVICES

Managed Wealth ADVANTAGE (“MWA”) is a non-discretionary investment advisory program sponsored and managed by Cetera Investment Advisers LLC (the “Firm”). Non-discretionary investment authority means that Clients must authorize investment changes not related to rebalancing accounts back to targeted allocations. Effective April 1, 2011, MWA changed from a mutual fund asset allocation program to a wrap fee program that will offer investments in no-load and/or load-waived mutual funds and exchange traded funds (collectively, “Funds”). Funds from several investment companies are available.

The Firm designed MWA to allow Clients the flexibility to tailor a portfolio to their specific needs and to implement various investment strategies.

Selecting the Asset Allocation

When a Client opens an MWA advisory account, the Financial Adviser asks the Client questions to gauge their risk tolerance for the account. The Financial Adviser will then recommend an investment objective and an Asset Allocation. Each Asset Allocation corresponds to one of seven different investment objectives. Each Asset Allocation has an allowable range specifying how much of the account can be held in stocks, bond, and money market investments. All Asset Allocations include an allocation to a money market fund for cash management purposes. The Investment Oversight Committee monitors recommended Asset Allocations on a regular basis. The Client decides on the final percentages in the Client’s Asset Allocation.

Selecting Funds

Asset Allocations do not specify the Funds an account should hold, although MWA limits investments to an approved list. Financial Advisers will recommend Funds for Clients’ accounts. Clients may accept or reject recommendations or select different Funds. The Firm requires Financial Advisers to provide Clients with prospectuses, summary prospectuses, or product descriptions (“Prospectuses”) for these Funds.

Clients may change their Funds, when appropriate, for other approved investments. However, short-term trading in MWA is discouraged. Some Funds may charge a redemption fee or limit future purchases to discourage short-term trading. Limits on future purchases may cause accounts to be out of balance during the restriction period. Additionally, Fund changes may result in taxable gains or losses in non-qualified accounts.

The Firm’s Investment Oversight Committee applies a proprietary due diligence process to develop an approved list of over 150 Funds. The Investment Oversight Committee meets regularly to review the list and will expand, amend, or reduce the list of available Funds when warranted. Generally, changes to the list of approved Funds do not affect existing accounts. MWA is a non-discretionary program. The Firm does not have authorization to decide which investments to buy or sell for Clients. Replacements of current investments in accounts require Client authorization.

Regular Rebalancing

Once Clients choose their asset allocation, MWA traders review accounts daily and rebalance them by purchasing and selling certain investments. Rebalancing occurs when the actual allocation to an asset class (for example, U.S. Large Cap) drifts from its target allocation by more than a certain specified percentage, subject to a minimum trade size. The Firm determines the percentage of “drift” that will trigger rebalancing. Rebalancing requires no further authorization from Clients or any other party.

Client’s Financial Adviser

A key feature of MWA is access to Financial Advisers. Financial Advisers assist with the following:

- Explaining MWA
- Helping Clients gauge their investment objectives, risk tolerance, and investment time horizon
- Assisting Clients in designing their account, including recommending an Asset Allocation and investments
- Assisting Clients in completing required account-opening paperwork
- Monitoring accounts
- Periodically reviewing accounts with Clients
- Communicating account changes
- Carrying out Clients’ instructions
- Communicating MWA updates to Clients

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FEES

Clients should review and understand all fees charged in their accounts. Clients could pay lower overall fees by investing in securities directly, but they would not receive the Firm's services.

The Firm charges MWA Clients an annual Client Fee. The Client Fee includes two parts, an Advisory Fee, which Clients negotiate with their Financial Adviser to pay for his/her services, and a Program Fee to cover trade execution costs and administrative costs. One-fourth of the Client Fee is collected at the beginning of every calendar quarter based on the value of managed assets on the last business day of the just-ended quarter (or, for new accounts, on the first day of management). Unearned fees are refunded if an account terminates. The Firm does not charge any termination fees or penalties.

The Client Fee charged is a "blended-rate" fee because it decreases as assets managed for the Client increase. A Client pays a lower fee on assets added at higher tiers, but the reduced fee does not apply to assets in lower tiers. For example, the Firm charges a maximum Client Fee of 1.95% on the first \$249,999 of assets managed, and the Firm charges a maximum fee of 1.90% on assets managed from \$250,000 to \$499,999.

The following Client Fee schedule is effective April 1, 2011. The Firm may change the Client Fee Schedule with 60 days' notice to Clients.

PORTFOLIO VALUE		CLIENT FEE	
Tier Min	Tier Max	Annual Program Fee (%)	Standard Annual Advisory Fee (%)
\$50,000	\$249,999	0.45%	1.50%
\$250,000	\$499,999	0.40%	1.50%
\$500,000	\$999,999	0.35%	1.45%
\$1,000,000	\$1,999,999	0.30%	1.30%
\$2,000,000	\$4,999,999	0.20%	1.15%
\$5,000,000	above	0.20%	0.90%

For accounts opened during a quarter, the Firm will charge a pro-rated Client Fee for services for the remainder of the quarter. Withdrawals may lower the account balance, but will not result in lower Client Fees for the current quarter. Contributions of \$25,000 and over will result in an increased Client Fee for the remainder of the quarter. Clients receive quarterly fee statements. The MWA Application and Agreement serves as the first fee statement until the end of the first calendar quarter. Statements from the custodian also note deductions of Client Fees.

The Firm may share a portion of the advisory fee with those who refer a Client. The Firm discloses applicable referral fees during the account opening process. The Firm may share advisory fees with a bank or other financial institution because of networking agreements with those financial institutions. The Firm's arrangements with these financial institutions may create conflicts of interest. These institutions may be influenced to refer Clients because of the compensation they could receive. The Firm addresses this risk by reviewing all new accounts to make sure they are suitable for Clients. The Firm also addresses these conflicts by providing disclosure here in this brochure.

Example of Blended Fee Calculation

Using the above Client Fee Schedule, if a Client opens an account on February 14 with an account value of \$300,000 (which remains the same throughout the year), the Client Fees applicable for this account are 1.95% fee for assets at Tier 1, and 1.90% fee for assets at Tier 2:

Annualized fee	\$249,999.99 @ 1.95%
	\$50,000.01 @ 1.90%
1st quarter fees	= \$728.12 (based on 45 days in the MWA Program)
2nd quarter fees	= \$1,456.25
3rd quarter fees	= \$1,456.25
4th quarter fees	= \$1,456.25
Total first year fee	= \$5,096.87

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Other Fees and Expenses

Funds have internal expenses. The Funds describe these expenses in their prospectuses, summary prospectuses, or product descriptions. These fees generally include a fund management fee, other fund expenses, and a possible distribution fee. In addition, some Funds charge a redemption fee on shares bought and sold within a short period. MWA traders may trigger this fee when rebalancing accounts.

No trade execution or custodial fees apply to MWA accounts, generally. MWA's Program Fees cover these expenses. There may be transaction costs charged by the account custodian for manual liquidation of individual bond securities, options, and stocks transferred into the account.

ITEM 5 – ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

ACCOUNT REQUIREMENTS

The minimum investment to open an account in the MWA Program is \$50,000. The Firm may terminate accounts whose balances fall below \$25,000 for more than 30 days. To maintain the relationship, Clients must bring the account up to the minimum amount. (At its sole discretion, the Firm may waive the minimum account size.)

The Firm requires that Clients open brokerage accounts with Charles Schwab & Co. (Schwab), a registered broker/dealer and member of FINRA and SIPC, to custody and trade managed assets. The Firm selected Schwab after considering its reputation, size, longevity, fees, computer access, and level of service. Further information can be found in Section 9. Clients receive a quarterly report from the Firm regarding the performance of their accounts, along with a newsletter. Schwab provides the information used in the reports. Clients should use only the cost basis information provided on Schwab's account statements for tax reporting purposes.

MWA traders may need a few days to invest new money contributions and to execute trade requests. This may cause a price difference between when a Client authorizes a trade and when traders actually execute the trade. This is particularly relevant for accounts that hold exchange traded funds (ETFs) that fluctuate in price throughout the day.

The Firm manages each account separately. Clients may impose reasonable trade restrictions, subject to Firm approval. However, the Firm cannot accept trade restriction on the individual securities that mutual funds and ETFs purchase. Clients may not avoid investing in a particular asset class if the Asset Allocation requires a minimal allocation to it. Additionally, Clients cannot borrow on margin against the investments held in their accounts.

TYPES OF CLIENTS

MWA is available to individuals, tax-qualified retirement plans, and other U.S. institutions.

MWA is suitable for Clients seeking a long-term investment program that allows them to work with an investment adviser. MWA is suitable for Clients who want to select the Funds they invest in, want the Funds to be from multiple issuers, and want the assurance of knowing the Firm monitors the Asset Allocations and approved Funds.

MWA is not suitable for short-term investors. MWA is not suitable for Clients who need trade execution only or require only incidental investment advice. MWA is not suitable for Clients who want a discretionary managed money program. Finally, MWA is not suitable if Clients do not want to pay an ongoing asset-based advisory fee.

ITEM 6 – PORTFOLIO MANAGER SELECTION AND EVALUATION

PORTFOLIO MANAGER

The Firm is the portfolio manager for MWA. Since 1983, the Firm has provided investment advisory services designed to help Clients fulfill their financial goals. The Firm conducts business throughout the United States through Financial Advisers who are independent contractors registered with the Firm. As of 12/31/2010, the Firm managed \$2.986 billion in assets.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Firm does not charge performance-based fees, which are investment advisory fees based on a share of capital gains on or capital appreciation of Clients' assets. The Firm charges fees based upon a percentage of assets that the Firm manages; these fees are not performance-based fees.

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METHODS OF ANALYSIS

To form recommendations, the Firm uses public and licensed information and gathers due diligence information. The Firm may use information from Morningstar Principia, Factset, Lipper, or other investment software. The Firm may use information learned from participation in Fund manager conference calls and on-site due diligence meetings.

INVESTMENT STRATEGIES

MWA's Investment Oversight Committee meets regularly to review approved Funds and Asset Allocations. The Firm's Investment Oversight Committee oversees the management of MWA and seeks to assure that 1) fair Client treatment so no Clients are favored; 2) that Funds meet due diligence requirements; 3) observance of Client restrictions; and 4) that the Firm follows its policies.

The Firm seeks a broad investment universe to provide choice in Asset Allocation and portfolio construction. The Firm uses a third-party service provider's investment research and due diligence capabilities to help guide its decisions. The Firm monitors and approves the Funds available in MWA.

To decide whether to approve or retain a Fund, the Investment Oversight Committee reviews quantitative and qualitative characteristics. It may review historical risk and return characteristics versus peers and benchmarks, investment style consistency, investment team tenure, and other factors.

The Firm does not guarantee the success of any investment decision or strategy used, or the success of Financial Advisers' account recommendations. Account investments are subject to the risks described below. As a result, investment recommendations will not always be profitable.

RISKS

Asset Class-Related Investing Risks

Investing always entails some risks. Listed below are some risks associated with the categories or asset classes of mutual funds and ETFs that the Firm may recommend. Although these investments have a stated objective they try to achieve by investing in certain types of securities, there is no guarantee that the Funds will achieve their objective.

- **Growth** Funds invest in stocks of companies that portfolio managers believe have the potential for significant long-term growth, which may give the funds a higher risk of price movement and require longer holding periods.
- **Value** Funds invest in stocks managers of the fund believe are currently undervalued and may increase in value in the future.
- **Mid Cap** Funds, which invest in medium-sized companies, may entail greater risks than investing in stocks of larger companies. Medium-sized companies may have limited product lines, markets and financial resources, and be subject to larger price movements than securities of larger, more established companies.
- **Small Cap** Funds invest in stocks of companies in up-and-coming industries or young firms in their early growth stages. Because these businesses are fast growing and often richly valued, their stocks tend to move up or down in value more than stocks of larger, more established companies.
- **International** Funds focus on investing in stocks outside the United States, generally in more economically developed markets. These investments present special risks, including currency fluctuations, potential for diplomatic and political instability, regulatory and liquidity risks, foreign taxation, and differences in auditing and other financial standards. This may result in greater share price movement, and these funds often have higher internal expenses than domestic stock investments. Global Funds invest in both U.S. and international securities.
- **Emerging Markets** Funds focus on investing in stocks of companies in lesser-developed foreign markets. These investments can be riskier than investments in well-established foreign countries. The investments may have higher expenses. These investments generally invest in growth and small cap investments that may have wide swings in price, and they have the same risks as other foreign investments (such as currency fluctuations and political uncertainties).
- **Real Estate** Funds are susceptible to the financial, market and economic events affecting the real estate industry and the companies in this industry. Their returns may be more risky than less concentrated investments. Risks of real estate investments are similar to those associated with direct ownership of real estate, including changes in real estate values and property taxes, interest rates, cash flow of underlying real estate assets, supply and demand, and the management skill and creditworthiness of the issuer.
- Funds that invest in **U.S. Treasury and agency securities** are subject to market and inflation risk since the Funds seldom hold any of the bonds until maturity. Before maturity, almost all bonds change in value based on changes in interest rates. If the Funds do not generate enough after-tax income to keep up with inflation, the value of the income generated declines relative to living costs each year. The U.S. government issues U.S. Treasury securities, which investors generally consider these investments safe. U.S. Treasuries pay relatively lower interest rates than other fixed income securities. Federal government agencies issue

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government agency bonds. Major issuers of agencies are Government National Mortgage Association (GNMA) and Tennessee Valley Authority (TVA). The U.S. government backs GNMA securities by its full faith and credit, subject to market risk. The U.S. government does not guarantee TVA bonds, but the power revenue generated by TVA secures the bonds.

- Funds that invest in **inflation-protected securities** react differently from other fixed income securities to changes in interest rates. Because interest rates on inflation-protected securities adjust for inflation, inflation expectations do not materially affect their value. The value of inflation-protected securities will more likely respond to changes in “real” interest rates, which represent nominal (stated) interest rates reduced by the expected impact of inflation. Generally, the value of an inflation-protected security will fall when real interest rates rise and will rise when real interest rates fall.
- **Municipal Bond** Funds generate income that is generally free from federal taxes and state taxes for residents of the issuing state. While the income is tax-free, capital gains, if any, will be subject to taxes. Income for some investors may be subject to the federal Alternative Minimum Tax (AMT).
- **Ultra-Short Bond** Funds invest only in bonds with very short-term maturities – usually one year or less. **Short-term bond** funds typically invest in bonds whose average time until maturity is between 1 and 3.5 years. Investing in these bond funds may offer higher yields than money market instruments, with less price variation than a longer-term bond fund. Since these investments have very low durations, changes in interest rates will affect their value less than they will a medium- or long-term bond fund. These investments are vulnerable to inflation risk.
- **Intermediate-Term Bond** Funds have average durations that are greater than 3.5 years and less than six years. Most of the funds rotate among a variety of sectors in the bond market, based upon which appear to offer better values. There is exposure to financial, market, credit, prepayment, and interest rate risks.
- **Long-Term Bond** Funds have average durations that exceed six years. Most of them hold some portion of assets in corporate bonds – either investment-grade or high-yield issues, or both. Overall, these Funds outperform other bond categories in falling interest rate environments, but they tend to incur greater losses when interest rates rise. Bonds with longer maturities tend to be more sensitive to changes in interest rates than debt securities with shorter durations.
- **High-Yield Bond** Funds have a high-income potential with broad diversification across bond sectors to help lower volatility. Bonds have credit and interest rate risks because, when rates rise, prices of bond funds generally fall. Lower-rated bonds (commonly referred to as “junk bonds”) are more at risk of default.
- **Convertible-Bond** Funds invest in convertible securities. They convert into a predetermined amount of a company’s stock at certain times during the life of the bond. These bonds tend to offer a lower rate of return in exchange for the value of the option to trade the bond into stock.
- **Bank Loan** Funds primarily invest in floating-rate bank loans instead of bonds. In exchange for their credit risk, these loans offer interest payments that typically float above a common short-term benchmark such as the London Interbank Offered Rate, or LIBOR. A slowdown in the economy could increase the funds’ credit risk. Bank Loan Funds may invest in below-investment-grade senior loans. These investments have the risk that borrowers may default on obligations or lenders may have difficulty liquidating the collateral securing the loans or enforcing their rights under the terms of the senior loans.
- **Precious Metals** Funds focus on mining stocks, although some do own small amounts of gold bullion. Most of these funds concentrate on gold mining stocks, but some have significant exposure to silver, platinum, and base metal mining stocks, as well. There can be increased volatility and exposure to issues affecting this sector. These funds are extremely risky and may include foreign securities investments.

Risks of ETFs

ETFs incur capital gains tax when they are sold, and, like mutual funds, ETFs may incur capital gains taxes during the life of the investment although ETFs are considered more tax efficient. ETFs have risks that mutual funds may not have.

- Unlike mutual funds, shares of ETFs are not individually redeemable directly with the issuing investment company. The investment company sponsoring the ETF is not required to repurchase it at net asset value.
- ETFs that are widely traded index funds are typically easily sold. However, market conditions may occur that create wide bid-ask spreads. The “bid” is the price a buyer is willing to pay to obtain an ETF. The “ask” is the price at which a seller is willing to sell an ETF, and the “spread” is the range between the highest bid (price at which a person is willing to buy a security) and lowest ask (price at which a person is willing to sell a security). The bid-ask spread may widen at market open and market close, or at other times when there are fewer trades occurring, and when there are earnings reports and general economic releases. In Managed Wealth ADVANTAGE, the Firm purchases exchange traded orders as market orders and not as limit orders that trigger on certain prices, and seeks to execute trades within the next trade cycle after traders receive instructions from Financial Advisers so that traders do not seek (and cannot take requests) to schedule ETF trades for a price advantage.
- If an ETF declares a distribution, it trades lower by the amount of the distribution on the ex-dividend date, which is the day on which all shares bought and sold no longer come attached with the right to the most recently declared dividend. You must own a stock before the ex-dividend date in order to receive the next scheduled dividend.
- ETFs may be more volatile intraday, which may offer opportunities for day traders or traders with short-term time horizons.

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- ETFs that track an index seek to minimize tracking error, which means they seek to replicate the index's security holdings as closely as possible. As a result, when the index changes its holdings, the index ETFs may purchase a security for its basket of securities at less opportune times.

Rebalancing Risks

Rebalancing can involve investment risk. Rebalancing typically involves the sale of stronger performing securities and the purchase of weaker performing securities to maintain Clients' targeted asset allocation mix; during sustained down market periods, rebalancing may have a short-term negative effect on returns.

ITEM 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

As described in Section 4, portfolio management responsibilities are shared between the Firm and Clients' Financial Advisers. Clients provide Financial Advisers with basic financial information and update them when their financial situations change, and Financial Advisers use this information to make recommendations. In addition, Clients tell the Firm their selected Asset Allocation. Each Asset Allocation has an allowed range specifying how much an account can hold in stocks, bond, and money market investments, so Clients tell the Firm, within such ranges, how much to invest in each asset class. Clients tell the Firm any requested trade restrictions and may request investment changes at any time.

ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS

There is no restriction on Clients' ability to contact and consult with their Financial Advisers or, if needed, the Firm. In addition, Financial Advisers meet, or offer to meet, at least semi-annually with Clients to review their accounts and the advisory relationship.

ITEM 9 – ADDITIONAL INFORMATION

DISCIPLINARY INFORMATION

Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to Clients' evaluation of them or the integrity of their management. The Firm has no legal or disciplinary events to report.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Outside Business Activities

Financial Advisers may be principals or owners of their own tax, accounting, or law firms, or may be pension consultants or have other businesses. Financial Advisers may establish a registered investment advisory firm to offer financial planning or other advisory services. The operation of these business entities may create a conflict of interest for Financial Advisers who assume multiple roles. The Firm addresses this conflict of interest through disclosure in these Financial Advisers' Form ADV Part 2B. Clients are not obligated to use the services of these other business entities.

Additionally, the Firm has no ownership interest in these business entities. Financial Advisers offer the services of these companies separately from the services offered by the Firm. The Firm does not share any fees paid for services offered by these business entities.

Affiliated Companies

Cetera Investment Advisers LLC is an indirectly wholly owned subsidiary of Cetera Financial Group, Inc. Cetera Financial Group is wholly owned by Cetera Financial Holdings, Inc. Cetera Financial Holdings, Inc. is principally owned by Lightyear Fund II, L.P., a private equity investment fund advised by Lightyear Capital LLC. Lightyear Capital is a New York based private equity firm, formed in 2000, that specializes in investing in financial service companies. For a more detailed description of Lightyear Capital, please visit www.lycap.com.

A common holding company owns the firm and Cetera Financial Specialists LLC. Cetera Financial Specialists LLC is a registered broker-dealer and member of FINRA and Securities Investor Protection Corporation (SIPC). Cetera Financial Specialists offers securities to retail clients through a network of independent contractors.

Cetera Financial Group wholly owns three additional independent broker-dealers. Information about our other related broker-dealers appears on our Form ADV Part 1A, Schedule D, which is available on the SEC's website at www.adviserinfo.sec.gov.

INSURANCE COMPANY OR AGENCY AFFILIATES

Cetera Financial Specialists is a licensed insurance agency.

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CONFLICTS DUE TO BUSINESS DEALINGS WITH AFFILIATES

The Firm does not consider its affiliations to create a material conflict of interest for the Firm or its Clients. Nevertheless, the Firm has procedures that address any potential conflicts of interests that might arise from its affiliate relationships. Although some Cetera Financial Group's employees provide shared service support for the affiliates, the Firm does not conduct joint business operations with any related investment adviser. The Firm does conduct joint business operations with Cetera Financial Specialists LLC because its Financial Advisers are also registered representatives of that company. To address the potential conflicts of interest arising from its relationship with Cetera Financial Specialists, the Firm does not use it as the broker/dealer for any Client account.

CODE OF ETHICS

This Sub-section describes how the Firm addresses and monitors conflicts of interests that might arise from managing Client accounts.

Code of Ethics and Personal Trading

The Firm has adopted a Code of Ethics consistent with Rule 204A-1 of the Investment Advisers Act of 1940. All supervised persons at the Firm must acknowledge the terms of the Code of Ethics annually. The Code of Ethics requires supervised persons to act with integrity, to comply with applicable regulations and to conduct personal securities trades that do not conflict with the fiduciary responsibilities owed to Clients. A copy of the Code of Ethics is available to Clients upon written request to the Chief Compliance Officer at Cetera Investment Advisers LLC's Schaumburg office address: 200 North Martingale Rd, Schaumburg, IL 60173.

Participation in Client Transactions

Financial Advisers may buy or sell securities that they own, or have an interest in, for Client accounts. Additionally, Financial Advisers may buy or sell securities for Client accounts at or about the same time that they may buy or sell the same securities for themselves. The Firm believes these trades do not pose a significant risk to MWA Clients. With Managed Wealth ADVANTAGE, the Firm may invest Clients in non-affiliated mutual funds and ETFs. As part of its Code of Ethics enforcement, the Firm monitors Financial Advisers' trades in personal accounts. The Firm will correct trades to remove any benefit to a Financial Adviser who buys or sells an ETF in a personal account if it appears that the Financial Adviser's transaction conflicted with a Client's similar transaction in a managed account.

No Principal or Agency Cross-Transactions

The Firm does not affect any principal or agency cross-transactions. The Firm also does not cross-trade between Client accounts.

Related Persons May Be Clients

The Principal Executive Officers and other personnel of the Firm, its Financial Advisers and members of their households may be Clients of the Firm. The Firm treats any advisory accounts opened by related persons the same as it treats advisory accounts of any other Client, although the advisory fee charged and the account minimum applied may be reduced. All other regular program fees and features/restrictions apply.

BROKERAGE PRACTICES

This Sub-section describes how the Firm addresses and monitors potential conflicts of interests that might arise from its trade practices.

Directed Brokerage

The Firm requires that Clients of MWA open brokerage accounts with Schwab. Schwab will buy and sell securities only when the Firm instructs it to. While the Firm requires that Clients use Schwab as custodian/broker, Clients make the final decision whether to do so and must enter into an account agreement directly with Schwab.

If a Client does not wish to place assets with Schwab, then the Firm cannot manage the account as part of MWA, although the Firm can offer other advisory services. Schwab does not charge Clients for the trade execution or custodial services it provides. The Firm pays for these services out of the Program Fees it receives.

The Firm believes that executions obtained on transactions for Clients are competitive are reasonable in relation to the value of brokerage services offered by Schwab. Services provided by Schwab include, but are not limited to, discounted fees for institutional trading software, Schwab employees dedicated to servicing Client accounts, and support of training and conference events. Services are not contingent on any specific amount of custody or trading business. Schwab's services may influence the Firm's decision to direct Clients to open accounts. The Firm addresses this potential conflict of interest by disclosing it here. The Firm also may receive shareholder-servicing fees from Schwab, which could create a conflict of interest. The Firm discloses this arrangement below.

Best Execution

The Firm has arranged for Schwab to trade MWA accounts. MWA Clients invest in mutual funds and ETFs not affiliated with the Firm.
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Mutual funds receive the NAV price at the market close on their trade date, so best execution is an issue only for ETFs traded in MWA. The Firm seeks the best execution available under the circumstances for its MWA trades and periodically evaluates trading processes and the transaction execution quality Clients receive for opportunities for improvement.

The Firm believes that having Schwab trade for MWA is consistent with the duty to seek “best execution” for Clients’ trades. Best execution” means the most favorable terms for a transaction based on all relevant factors. When the Firm selected Schwab, it considered a wide range of factors:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear and settle trades (to buy and sell securities for Client accounts)
- Ability to facilitate wire transfers, check requests, bill payments, and other account services
- Breadth of available mutual funds and ETFs
- Availability of investment research and tools to assist in making investment decisions
- Quality of services
- Competitiveness of the price of services and willingness to negotiate prices
- Reputation, financial strength, and stability
- Prior service to the Firm and Clients
- Availability of other products and services that benefit the Firm or Clients

Aggregated Trades

When multiple Clients require purchases or sales in the same security, the Firm may aggregate or “block trade” their trade orders. Traders aggregate Clients’ trade orders in non-affiliated mutual funds and ETFs. For ETFs, traders may not completely fill the block orders, which raise the potential conflict of interest issue of how to treat Clients fairly. The Firm addresses this in multiple ways. First, recommended ETFs generally have sufficient shares to minimize instances when traders cannot completely fill orders. Second, participating Clients receive a pro rata share of the securities purchased when traders cannot completely fill orders. Third, when traders fill an aggregated block at different price levels throughout a day, participating Clients in the block trade receive the average price of all executed transactions in that order.

No Research or Other Soft Dollar Benefits

The Firm does not receive any research or soft dollar benefits.

REVIEW OF ACCOUNTS

Clients can access their Schwab accounts at all times, and will receive regular communications from Schwab, including account statements and year-end tax information.

MWA Clients receive quarterly written performance reports from the Firm. These written reports generally contain a list of assets, investment results, and statistical data related to the Client’s account. The Firm urges Clients to carefully review these reports and, if there is any question, to immediately notify their Financial Advisers. Clients should compare the statements they receive from their custodian to the reports generated by the Firm. If the information in the reports varies from custodial statements, then Clients should immediately notify their Financial Advisers. Clients should generally only use cost basis information provided by the custodian for tax reporting purposes.

The Investment Oversight Committee meets regularly to review MWA. The Investment Oversight Committee establishes the investment policies used by traders, and may change the policies when it is determined such action is warranted.

Finally, Financial Advisers meet, or offer to meet, at least semi-annually with Clients to review their accounts and the advisory relationship. Branch office examiners document and confirm the meetings or offers to meeting during periodic audits.

CLIENT REFERRALS

The Firm has engaged solicitors (“Referring Partners”), to assist in identifying and soliciting potential Clients who may be interested in the advisory services it offers. For accounts referred, the Firm compensates the Referring Partner for his/her solicitation services. The Referring Partner cannot be a fiduciary, trustee or administrator to a potential Client’s ERISA or tax-qualified retirement plan.

The Firm will pay the referral fees from the usual and customary Advisory Fees it receives. The Client Fee does not increase because of the Referring Partner’s services; rather, Cetera Investment Advisers will pay the Referring Partner a portion of the Advisory Fee that Cetera Investment Advisers would otherwise pay to a Client’s Financial Adviser.

This must remain with the Client

Referring Partners have no other relationship with the Firm or any of its affiliates. Referring Partners do not render any investment advice.

Additionally, the Firm may receive referrals from Schwab and pays Schwab a participation fee on referred accounts. The participation fee is a percentage of the advisory fee. Referred Clients are subject to the same fee schedule as other Clients.

In soliciting Clients, each Referring Partner and Financial Adviser agrees to comply with the Referring Partner Program requirements. Additionally, the Firm does not permit a Referring Partner to solicit any retirement plan subject to ERISA or any tax-qualified retirement plan for which the Referring Partner is a plan fiduciary, trustee, or administrator or where the Referring Partner is a director, owner, or more than 5% owner of the plan sponsor. The Firm also does not allow Referring Partners to solicit any government entity Clients and does not pay for referrals of any government entity Clients.

Occasionally, a bank may hire the Firm to be the investment adviser for a trust account. In such situations, the Firm may share part of the Client Fees charged.

OTHER COMPENSATION

Shareholder Service Fees

Charles Schwab & Company

The Firm has an agreement whereby Schwab pays the Firm a fee equal to a percentage of the total assets of the Firm's Clients invested in Schwab's Mutual Funds OneSource service (excluding ERISA Clients and Clients referred through the Schwab Advisor Network). However, the Firm does not receive this fee in connection with other mutual funds that are not part of the OneSource service. The fee that Schwab pays the Firm represents a significant amount of Schwab's OneSource service fees (Schwab receives from 25 to 40 basis points annually, depending on the particular OneSource fund, but the amount that the Firm receives does not vary based on any individual OneSource fund used in the MWA program).

The amount of the Firm's fee increases as the percentage of OneSource mutual funds held in accounts increases. For instance, if OneSource mutual funds make up more than 70% of the total assets in MWA, the Firm will receive more basis points than the Firm would if OneSource mutual funds make up more than 50% but less than 70% of the total assets in accounts. The Firm does not receive any basis points if OneSource Funds make up less than 50% of the total assets in MWA Client accounts. Details regarding this arrangement are available upon request.

The fee does not apply to any account that is subject to the Employee Retirement Income Security Act of 1974, as amended, or any account that is a plan as described in Section 4975 of the Internal Revenue Code (including individual retirement accounts). This creates an incentive for the Firm to have Clients invest assets in a taxable account instead of funding a tax-advantaged account.

The fee is in recognition of certain Shareholder Services the Firm performs with respect to these assets. The Firm has agreed with Schwab that the Firm and its Financial Advisers will respond to Client inquiries about, among other things, share prices, account balances, dividend amounts, and dividend payment dates with regard to OneSource Funds. We would likely provide these services even without this agreement.

The Firm could receive an economic benefit that increases proportionately with the amount of Client assets invested in OneSource mutual funds. As a result, the Firm has a potential conflict of interest in recommending to Clients that they use Schwab as custodian or broker/dealer and invest their assets in OneSource funds, instead of investing in other mutual funds. The fees received are not allocated to individual Clients' accounts, and should be considered as compensation to the Firm when determining the reasonableness of the advisory fees.

The Firm acknowledges that the receipt of Shareholder Servicing fees could create the incentive to recommend or cause Clients to invest in OneSource funds to a greater degree than if the Firm did not receive the fees, and that the Firm may be foregoing an opportunity to recapture the fees for the benefit of our Clients. However, these fees help defray the Firm's overall costs in operating the MWA Program and, without these fees, the charges for the MWA Program might be higher.

Additionally, the Firm has implemented policies and procedures to minimize potential conflicts of interest. The Firm has contracted with an independent third party to recommend mutual funds eligible for investment by Clients participating in the MWA Program. This third party does not benefit from the fee discussed above and has not been informed of the details relating to the shareholder servicing arrangement, including the specific Funds for which the Firm receives the fees.

Any deviation from the recommendations received from this third party regarding the addition or withdrawal of a particular investment from the MWA Program will receive a heightened review to confirm that such decision was not based on the receipt of the shareholder servicing fees. Additionally, the Firm's procedures require periodic reviews of fund selections and the performance of Schwab as custodian and

This must remain with the Client

broker/dealer. Only Clients' Financial Adviser will recommend investments to Clients for investment. The Firm may share Shareholder Servicing fees with Financial Advisers.

Additional Economic Benefits

The Firm receives an economic benefit from Schwab in the form of the support for the products and services it makes available. These products and services, how they benefit the Firm, and the related conflicts of interest are described earlier. Schwab provides its products and services without regard to the Firm's investment advice.

The Firm may approve Schwab mutual funds as investment options for MWA. The Firm receives services from Schwab that may create a potential conflict of interest. See the discussion above of Schwab's services and the compensated shareholder services the Firm provides to Schwab.

The Firm may also receive monetary support for training and conference events from its service providers. This may raise a potential conflict of interest. The Firm's selection of entities to provide services or investment products in connection with its advisory programs is not contingent on their sponsorship of training and conference events.

CUSTODY

The Firm does not provide custodial services to Clients. Schwab is the qualified custodian and is the entity that actually holds MWA Client assets. Clients will receive statements monthly directly from Schwab. Schwab sends the statements using the email or postal mailing address Clients provide. The Firm strongly urges Clients to review these statements promptly and carefully, and to compare the custodial records to the reports the Firm provides them. The information in the Firm's reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Clients should use the cost basis information in custodial statements for tax reporting purposes.

VOTING CLIENT SECURITIES

The Firm does not vote proxies on behalf of advisory Clients, and neither the Firm nor its Financial Advisers provides advice regarding how to vote proxies. Clients retain the responsibility for receiving and voting proxies for securities maintained in their accounts.

FINANCIAL INFORMATION

Registered investment advisers are required to provide you with financial information or disclosures about their financial condition in this Section. The Firm has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has never been the subject of a bankruptcy proceeding.