

Form ADV Part 2B Brochure Supplement

Joseph Garbacz
The Garbacz Group, Inc.
655 Craig Rd., Ste. 104
St. Louis, MO 63141
314-991-1301

Date of Supplement: February 2012

This brochure supplement provides information about Joseph Garbacz that supplements The Garbacz Group, Inc. brochure. You should have received a copy of that brochure. Please contact Joseph Garbacz if you did not receive The Garbacz Group, Inc. brochure or if you have any questions about the contents of this supplement. Additional information about Joseph Garbacz is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience

Joseph Garbacz, Born 1944

Education Background:

- Bachelor of Science in Business, Southern Illinois University, 1967

Business Background:

- The Garbacz Group, Inc., President: 01/18/1990 – Present
- The Garbacz Group, Inc., Registered Principal: 05/16/1990 – Present
- The Garbacz Group, Inc., Investment Advisor Representative: 05/16/1990 - Present

Professional Designations:

- **Chartered Life Underwriter**, or **CLU** designation, earned in 1983, is issued by The American College. A candidate for designation must have three years of full-time business experience within the five years before the designation is awarded. Candidates must complete five core and three elective courses and pass a proctored exam for each course. Designates must complete three hours of continued education every two years.
- **Chartered Financial Consultant**, or **ChFC** designation, earned in 1983, is issued by The American College. A candidate for designation must have three years of full-time business experience within the five years before the designation is awarded. Candidates must complete six core and two elective courses and pass a proctored exam for each course. Designates must complete 30 hours of continuing education every two years.

Item 3 – Disciplinary Information

Joseph Garbacz has no legal or disciplinary events to report.

Item 4 – Other Business Activities

Registered Representative of The Garbacz Group, Inc.

In addition to being an investment advisory firm, The Garbacz Group, Inc. is also a registered broker/dealer and Joseph Garbacz is separately licensed as a registered securities representative with The Garbacz Group, Inc. In its capacity as a broker/dealer, The Garbacz Group, Inc. is a member of the

Financial Industry Regulatory Authority (FINRA) and the Securities Investors Protection Corporation (SIPC).

When acting in his separate capacity as a registered representative of The Garbacz Group, Inc., Joseph Garbacz will sell for commissions general securities products such as stocks, bonds, mutual funds, exchange-traded funds, variable annuity and variable life products to advisory clients. As such, Joseph Garbacz may suggest that advisory clients implement investment advice by purchasing securities products through a commission-based account in addition to a fee-based advisory account.

The receipt of commissions creates an incentive for The Garbacz Group, Inc. and Joseph Garbacz, its advisor representative, acting in his separate capacity as a registered securities representative to recommend those products for which he will receive a commission. Consequently, the objectivity of the advice rendered to clients could be biased. Joseph Garbacz controls for this potential conflict of interest by discussing with clients the benefits and negatives of establishing a fee-based account through The Garbacz Group, Inc. versus establishing a commission-based account through The Garbacz Group, Inc.

The receipt of 12b-1 fees from certain mutual fund companies, as outlined in the fund's prospectus, creates an incentive for The Garbacz Group, Inc. and Joseph Garbacz, its advisor representative, to recommend funds with 12b-1 fees over funds that have lower fees or no fees. 12b-1 fees come from fund assets therefore indirectly from client assets. Typically, Joseph Garbacz will receive 12b-1 fees only in commission-based brokerage accounts. However, such fees can be earned in fee-based accounts managed by The Garbacz Group, Inc. if 12b-1 fee paying mutual funds are held in the managed account. In such a situation, Joseph Garbacz discusses with clients the selection of a 12b-1 or other trail paying mutual funds.

Clients are never obligated or required to establish accounts through The Garbacz Group, Inc. However, if a client does not choose to accept Joseph Garbacz's advice or decides not to establish an account through The Garbacz Group, Inc. Joseph Garbacz may not be able to provide management and advisory services to the client. Clients should understand that, due to certain regulatory constraints, Joseph Garbacz, in his capacity as a registered securities representative must place all purchases and sales of securities products in commission-based brokerage accounts through The Garbacz Group, Inc. or other institutions approved by the firm.

Activity 2 – Individual Insurance Producer

Joseph Garbacz is independently licensed to sell insurance and annuity products through various insurance companies. When acting in this capacity, he will receive commissions for selling insurance and annuity products.

The Garbacz Group, Inc. and Joseph Garbacz in their separate capacities as a business entity producer and an individual insurance producer receive commissions for the recommendation/sale of annuities and other insurance products. Certain insurance companies may offer incentives in addition to the standard compensation to The Garbacz Group, Inc. and Joseph Garbacz acting in their separate capacities as a business entity producer and an individual insurance producer. A client should be aware that the receipt of commissions and additional incentive compensation itself creates a conflict of interest and may affect the independent judgment of Joseph Garbacz when making recommendations about annuities and insurance products in general or a particular annuity or insurance product offered by a certain insurance company.

Clients are never obligated or required to purchase insurance products from or through Joseph Garbacz and may choose any independent insurance agent and insurance company to purchase insurance products. Regardless of the insurance agent selected, the insurance agent or agency will receive normal commissions from the sale.

Item five – Additional Compensation

Joseph Garbacz does not receive compensation in addition to advisory fees, brokerage compensation and insurance commissions.

Item 6 – Supervision

Daniel Garbacz is the firm's Chief Compliance Officer. He is responsible for developing, overseeing and enforcing the firm's compliance programs that have been established to monitor and supervise the activities and services provided by the firm. Daniel Garbacz can be contacted at (314) 991-1303.

Item 7 – Requirements for State-Registered Advisers

Joseph Garbacz has not been subject to arbitrations, civil proceedings, self-regulatory organization proceedings or administrative proceedings resulting in an award against him or where he was otherwise found liable.

Joseph Garbacz has never been the subject of a bankruptcy petition.