



Where Relationships Are the Difference

SCHEDULE H WRAP FEE PROGRAM BROCHURE

PROACTIVE MONEY MANAGEMENT

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This wrap fee program brochure provides clients with information about the qualifications and business practices of World Equity Group, Inc. and its ProActive Money Management Program that should be considered before investing. If you have any questions about the contents of this brochure, please contact us at (847) 342-1700 or compliance@weg1.com. 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.

This brochure is given to program clients in addition to Form ADV Part 2. Form ADV Part 2 includes information that is not included in this brochure. Please review both documents carefully.

Additional information about World Equity Group also is available on the SEC's website at www.adviserinfo.sec.gov.

**DATED
MARCH 31, 2012**

MATERIAL CHANGES

The SEC adopted “Amendments to Form ADV” in July, 2010. This firm brochure is the disclosure document prepared according to the SEC’s new requirement and rules. This section titled “Material Changes” is used to provide our clients with a summary of any new or updated information. We will inform you of the revisions based on the nature of the changes.

If you receive a summary page of material changes and would like to obtain a current copy of the entire brochure, please contact either World Equity Group or your Investment Advisor Representative for a complete copy.

The material changes from the last brochure, dated October 17, 2011 are summarized below. Only material changes since that last brochure are included on this page.

One of the investment advisor programs, Schreiner Capital Management, is no longer being offered on the ProActive platform. All current assets have been removed from this manager.

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SERVICES AND PROGRAMS

World Equity Group (WEG) is a Registered Investment Advisor¹ whose focus is to assist clients and their families, business entities, non-profits and other financial institutions with investment planning and management. WEG provides a variety of investment management services including actively managed equity and bond market participation programs, asset allocation programs, customized programs and financial planning services.

The ProActive Money Management Program is a separately managed account program sponsored by WEG. Pursuant to the program, an Investment Advisor Representative associated with WEG, or associated with an investment advisory firm who has been provided access to the ProActive Money Management Program, assists clients with the allocation of funds among portfolio managers available in the program. The allocation is based on the personal and financial data and investment objectives provided by the client. In all cases, the selection of portfolio managers is made by the client. Funds allocated to each portfolio manager will be held in a separate sub-account. Portfolio managers will have authority to invest and reinvest the funds on a discretionary basis, in accordance with a model or investment strategy maintained by the portfolio manager. Portfolio managers will invest only in accordance with their model. In some cases, the portfolio manager will provide a signal to WEG, who will have limited discretion to invest the sub-account in accordance with the signal. WEG will not have discretion to reallocate funds among accounts, but funds may be reallocated by the client at any time.

This brochure is given to clients in addition to the Form ADV Part 2 Disclosure Brochure. The Form ADV Part 2 includes information that is not included in this brochure. Please review both documents carefully. The Form ADV Part 2 should be given for each program selected. The ADV Part 2 Disclosure Brochure is available through your Investment Advisor Representative or by contacting World Equity Group.

Managed accounts available under the ProActive Money Management Program include:

ASTOR FINANCIAL, LLC.

Astor Long/Short Balanced Portfolio

The Astor Long/Short Balanced Portfolio analyzes economic data to forecast the current phase of the business cycle. Investment decisions are based on the analysis of the current phase and the portfolio is rebalanced only when indicators predict that the economic cycle is changing. This approach focuses on the overall markets and the economy rather than on individual stocks and bonds. It seeks to provide positive returns during market expansions by utilizing long equity ETF positioning in diversified non-correlating market averages. During economic contractions, the strategy uses defensive positioning, which can range from overweighting cash and fixed income to using ETFs with inverse exposure to broad market averages.

DIX HILLS PARTNERS, LLC.

Enhanced Treasury Strategy

Enhanced Treasury Strategy is implemented by taking investment positions in the following two instruments:

¹ The term "Registered Investment Advisor" is not intended to imply that World Equity Group, Inc. has attained a certain level of skill or training. It is used strictly to reference the fact that we are "Registered" as an "Investment Advisor" with the United States Securities & Exchange Commission – and with such other regulatory agencies that may have limited regulatory jurisdiction over our business practices.

- 1) Cash or cash equivalents from zero to one hundred percent (0 to 100%) of the assets in the Subaccount;
- 2) Treasury- based exchange traded funds (ETF's)

Depending on Dix Hills' proprietary forecast, Dix Hills will structure and rebalance Subaccounts once a month, targeting a duration level consistent with the duration level of the Merrill Lynch US Treasury Master Index (ML Index). Dix Hills will implement positions using a combination of the above two components so as to increase or decrease duration relative to the portfolio's neutral duration, which is the duration of the ML Index.

The amount of the recommended duration exposure is dictated by Dix Hills' proprietary quantitative research and will range from approximately 0 duration (100% cash and cash equivalents), to approximately 200% of the duration of the ML Index (assets invested in a combination of cash and ETFs). The Cash position will typically be the investment offered as a cash management sweep option or alternative from the Custodian.

EMERALD ASSET ADVISORS, LLC.

Hybrid Discipline Strategy

Hybrid's objective is to achieve real, absolute returns (i.e. positive net of inflation) over any 3-year period regardless of market conditions, and without resorting to the use of high-quality bonds. Emerald's holdings come from the 11 sub-sectors/styles it has defined in the alternative mutual fund universe through its own research (such as equity long-short, market-neutral, arbitrage, commodities, high-yield and bond hedge). As a result, Hybrid investing is similar to the approach employed by low volatility hedge fund-of-funds managers but without all the unfavorable characteristics of hedge funds or the limited partnership structure (e.g. – lock-up periods; illiquidity; lack of transparency; excessive leverage; high fees; high investment minimums and tax inefficiency). By using mutual funds that employ hedge-like strategies, Emerald attempts to deliver the key benefits of hedged investing but absent many of the disadvantages of hedge funds themselves.

Concentrated Equity Strategy

Concentrated Equity seeks to generate investment "alpha" (excess return versus stock market benchmarks) through the purchase of a carefully selected group of equity mutual funds, whose managers each confine their portfolios to a very limited number of holdings (typically under 30 stocks) and generate those returns using distinctly different methods. The combination of these funds seeks to combat the tendency for traditional "style-box" equity approaches (investing by growth vs. value, large cap vs. small cap). Emerald may also buy dedicated short funds as a portfolio hedge in perceived periods of high market risk.

Global Cycle Strategy

Global Cycle is a true long-term approach to growing capital. It involves the research and identification of global investment themes that are in the midst of a long, positive business cycle. Some of these themes may take place, in Emerald's opinion, over many years or even decades. Others may start and finish in periods as short as three years. This is a long-term strategy, and often involves investing in areas of the markets that exhibit high short-term volatility in their returns. Patience is required to be successful and is not guaranteed. Emerald may also buy dedicated short funds as a portfolio hedge in perceived periods of high market risk or as a way to capture alpha in a certain sector that it feels may be in decline.

IRON FINANCIAL

Options Overlay Global Equity Strategy

Iron Financial's Options Overlay Global Equity Strategy Portfolio is comprised of equity index exchange traded funds (ETFs) representing the global equities (US, developed, and emerging markets). Call options are written on each of these ETFs and the written options are managed actively to generate incremental returns on a risk-adjusted basis.

The strategy utilizes a systematic approach in selecting options with appropriate time to expiration and probability of the option being called away. The written option positions are actively managed through the use of IRON's proprietary roll strategies; the highlights include:

- A majority of option positions are selected with time to expiration of 30 to 60 days
- Options are selected with a low probability of expiring in the money
- Targeted options carry relatively higher premiums that potentially contributes to additional income consummate with the assumed options' volatility risk
- The strategy makes no attempt to utilize additional leverage through the number of option contracts
- Determining when NOT to write options based on rigorous monitoring of market conditions and their impact on the portfolio - example, when the option exercise probabilities sufficiently rise with a rapidly rising market

RETIREMENT BODYGUARD

TactiCal Assignment-Hedged Appreciation

TactiCal Assignment-Hedged Appreciation is a tactical portfolio which seeks to achieve steady returns while limiting the effects of large market swings. Investments are in individual equities, exchange traded funds and money market funds. ETFs are used for sector, country and fixed income exposure, and inverse ETFs are used to carry out hedging strategies of the portfolio. Focused on the long term, the objective is to minimize the volatility on the downside, while still having the capability to capture upside returns. Four distinctly separate components are strategically combined to take advantage of current market conditions in a risk appropriate fashion. Those four components of the model are: Long/Short Equity, Managed Fixed Income, Alternatives and Trend Capturing. When used together, these tools are designed to provide focused diversification and act as a volatility dampener. This model is built with the objective of having capital preservation characteristics during bear markets, while offering capital growth during bull markets. This is not a short-biased model, but does have the ability to become close to market neutral with the aim of protecting against adverse economic conditions.

W.E. DONOGHUE & CO., INC.

Power Income Portfolio

Power Income Portfolio is based on a proprietary trading model constructed to move investments from high-yield bond funds to cash (money market funds) to minimize losses during a downturn and maximize gains during upturns. The portfolio is based on the momentum of the markets themselves, and does not rely on subjective judgments to determine when the markets are changing.

Conservative Tactical Growth Portfolio

Conservative Tactical Growth Portfolio utilizing sector index funds utilizes potential of sector rotation into domestic or international stocks coupled with defensive bond fund management. This actively

managed portfolio will rotate 50% of the assets amongst domestic sector funds, broad asset class funds, international funds, fixed income funds and money market funds. The rotation portion of the portfolio consists of a maximum of ten funds from a universe of at least 25 funds at any given time. The remaining 50% of the assets will be defensively invested in bond funds with a mechanism to reduce risk and move to money market funds when circumstances warrant. This Portfolio has the ability to invest up to 100% of its assets in fixed income and money market funds.

COMPASS ACTIVE TACTICAL MANAGEMENT

Compass Asset Management Program

Compass Asset Management is a separately managed account program sponsored by WEG. Pursuant to the program, an Investment Advisor Representative (IAR) associated with WEG assists clients with selecting a portfolio model based on the completion of a risk, personal and financial data profile provided by the client. Depending upon the client's investment objectives, goals, risk levels and other factors, the IAR selects with the client a program model appropriate for that client's objectives. WEG officers manage the models on a discretionary basis. Assets are not required to be invested in any particular asset class. Compass Program models apply proprietary filtering processes that evaluate market risk, asset class risk, sector risk and individual security risk using a variety of technical indicators.

The models available under the Compass Asset Management program are Growth, Moderate and Conservative. The asset allocations percentages will vary for each program with the maximum standard allocation percentages being:

The Growth Model: 85% equities 15% fixed income.
The Moderate Model: 70% equities and 30% fixed income.
The Conservative Model: 50% equities and 50% fixed income.

These allocation percentages can fluctuate based on market conditions and other investment analysis.

FEES AND COMPENSATION

Proactive Money Management accounts are charged an "assets under management" fee, based on the value of all securities in the account. These fees cover (i) an initial analysis and periodic re-evaluation of the client's investment objectives and needs, and non-discretionary allocation among portfolio managers, (ii) all advisory services, including fees of portfolio managers, (iii) account statements, (iv) execution, and (v) custody. All assets are held through a WEG account, which is held in custody with TD Ameritrade Institutional, a division of TD Ameritrade, Inc., member FINRA/SIPC, 4211 South 102nd St., Omaha, NE 68127 (the "Custodian").

The standard "assets under management" fee schedule is as follows:

Assets Under Management	WEG Fee	Representative Recommended Fee	Total Annual Fee
\$25,000 - \$249,999.99	1.00%	1.50%	2.50%
\$250,000 - \$999,999.99	.85%	1.15%	2.00%
\$1,000,000+	.70%	1.15%	1.85%

Fees are negotiable depending on the relationship and size of the account. All fees are paid quarterly in advance. Fees will be prorated and the unearned portion returned upon written termination.

The ProActive Program may cost the client more or less than the client would pay if investment advice, brokerage and other services were purchased separately. Program clients should consider the value of these services when making comparisons. The combination of services may not be available separately or may require multiple accounts, documentation and fees. In addition, certain portfolio managers may not be available to certain clients outside the ProActive relationship either because of minimum account sizes, fee schedules, geographic availability or other factors. Program clients should also consider the amount of anticipated trading activity when selecting among programs and assessing the overall cost. Fee-based programs typically assume a normal amount of trading activity and, therefore, under particular circumstances, prolonged periods of inactivity or asset allocations with significant fixed income or cash weightings may result in higher compensation than if commissions were paid separately for each transaction.

The investment Advisor Representative or advisory firm who recommends the ProActive Money Management Program receives compensation as a result of a client's participation in the program. The amount of this compensation may be more than what the advisory representative would receive if the program client paid separately for investment advice, brokerage and other services. The Investment Advisor Representative or advisory firm may therefore have a financial incentive to recommend the program over other programs and services. WEG uses both internal and external portfolio managers and they receive between 1/3 and 1/2 of the WEG advisory fee. The use or non-use of a portfolio manager does not affect the fee a client pays.

OTHER FEES

The annual fee rates indicated under each of the ProActive programs are all inclusive, wrapping both brokerage and advisory fees into one. However, the asset-based fee **does not** pay for any of the following: (i) any Exchange/SEC fees; (ii) certain transfer taxes; (iii) service or account charges, including electronic fund and wire transfer fees, auction fees, debit balances, margin interest, certain odd-lot differentials and mutual fund short-term redemption fees; and (iii) brokerage and execution costs associated with non-eligible assets held in your account or with securities and other property held outside of your managed account.

In addition, all fees paid to us for management services are separate from any fees and expenses charged to shareholders of mutual fund shares by the investment company or by the investment advisor managing the mutual fund portfolios. These expenses generally include management fees and various fund expenses such as: 12b-1 fees, redemption fees, account fees, purchase fees, contingent deferred sales charges, and other sales load charges may occur but are the exception within managed accounts at institutional custodians. A complete explanation of these expenses charged by the mutual funds is contained in each mutual fund's prospectus. You are encouraged to carefully read the fund prospectus.

A client may invest in a money market fund or mutual funds directly without incurring the fee charged for participation in the program. In addition, for certain accounts that hold a high percentage of investments in money market or mutual funds, other advisory programs may be available through WEG for lower advisory or other fees. Any non-sweep money market funds held in the account will be subject to program fees. Program clients will receive a prospectus for each money market and mutual fund purchased.

Certain ETFs pay advisory fees to their investment advisors, which reduces the net asset value of the fund. Some ETFs are organized as unit investment trusts and do not have an investment advisor.

However, all ETFs do incur expenses related to their management and administration that are analogous to an investment advisor's management fee. These expenses affect the value of the investment.

ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

WEG generally provides investment advice to individuals, pension and/or profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities. Requirements for opening an account vary depending on the program selected, but we have minimum account size requirements of between \$25,000 and \$100,000 per manager. The account manager may, at his discretion, accept accounts below the minimum required amount.

The minimum initial investment for each manager is:

<u>Portfolio Manager</u>	<u>Required Minimum</u>
Astor Asset Management, LLC - Long/Short Balanced Program	\$50,000
Dix Hills Partners, LLC - Enhanced Treasury Strategy ETF	\$25,000
Emerald Asset Advisors, LLC - Hybrid Strategy	\$25,000
Emerald Asset Advisors, LLC - Concentrated Equity Strategy	\$50,000
Emerald Asset Advisors, LLC - Global Cycle Strategy	\$25,000
Iron Financial, LLC - Options Overlay Global Equity Strategies	\$100,000
Retirement Bodyguard - Hedged Appreciation Strategy	\$25,000
W.E. Donoghue & Co., Inc. - Conservative Tactical Growth Portfolio	\$50,000
W.E. Donoghue & Co., Inc. - Power Income Portfolio	\$25,000
Compass Active Tactical Management	\$50,000

PORTFOLIO MANAGER SELECTION AND EVALUATION

Portfolio managers are selected for the program based primarily on their model, risk management discipline, performance, and how the model fits with other models in the program. Additional reviews and considerations include legal and regulatory background checks, interviews and meetings with program managers, and inquiries to ensure compliance with regulatory standards. WEG reviews manager performance information annually.

WEG may provide information to the client regarding the retention or replacement of the portfolio manager if the manager changes its management style or the client's objectives change. WEG may replace managers in the program if the model is changed or WEG believes another manager would be more appropriate for the program.

Each client has the ability to change between the managers based upon the client's specific investment needs, risk tolerance and goals. The Investment Advisor Representative assists the clients in selecting appropriate managers based upon the specific needs of each client.

Neither WEG nor any Investment Advisor Representative associated with WEG assumes responsibility for the conduct of unaffiliated portfolio managers, including their performance, performance reporting, or compliance with laws or regulations. Neither WEG, nor any third party, independently verifies the performance information provided to determine its accuracy or compliance with presentation standards. Performance information may not be calculated on a uniform and consistent basis. Program clients are advised and should understand that (a) such manager's past performance is no guarantee of future results; (b) there are market and/or interest rate risk which may adversely affect any manager's objectives and strategies and could cause a loss in a client's account, and (c) any risk parameter or comparative index selections provided for accounts are guidelines only; there is no guarantee that they will be met or exceeded. Once funds are allocated to a manager, the manager will manage the funds solely in accordance with the model.

Two of the portfolio manager options available to clients under the ProActive Money Management Program are Compass Active Tactical Management, which is managed by WEG Officers, and Retirement Bodyguard Hedged Appreciation Fund, which is managed by a WEG Investment Advisor Representative. These affiliated managers are subject to the same selection process and review as the other managers. All other portfolio manager options available under the program are unaffiliated Registered Investment Advisors. The Compass and Retirement Bodyguard programs are available outside of the ProActive Program. However, if the client chooses to use Compass and/or Retirement Bodyguard outside of the program, they will not receive other benefits of the program, including the ability to allocate and reallocate to other managers within an Account. WEG has an inherent conflict of interest in selecting Compass and Retirement Bodyguard as a managers under the program. When Compass or Retirement Bodyguard is selected in the program, WEG receives that portion of the fee that would otherwise be paid to an unaffiliated portfolio manager and the underlying management fee paid, and thus has an inherent conflict in recommending Compass or Retirement Bodyguard as compared to possible unaffiliated managers that may have similar performance, investment style and track record, but lower fees.

FREQUENCY AND NATURE OF REVIEWS

World Equity Group Investment Advisor Representatives review client accounts on an ongoing basis. Representatives also may conduct more thorough reviews annually or quarterly, depending on the program. WEG supervisory personnel conduct reviews to evaluate consistency of performance compared to the client's investment objectives. The Compliance Department additionally conducts reviews through an annual internal audit program.

REPORTS PROVIDED TO CLIENTS

Clients receive a quarterly performance evaluation, a monthly activity summary statement, confirmation of all transactions as they occur, and a year-end tax summary. All reports are provided in writing. Additional reports may be provided depending on the program and at the request of the client. All account statements are sent to the client directly from the custodian.

CLIENT CONTACT & INFORMATION

PROVIDED TO PORTFOLIO MANAGERS

If a client requests a consultation with one of the portfolio managers, the request has to be made to the Investment Advisor Representative. The Investment Advisor Representative will facilitate the contact with the manager and schedule either a teleconference or a meeting.

Client information provided to the portfolio managers include the client's name, address, account registration status, and contact information. Updated information will be provided to the portfolio managers as needed and upon material changes.

ADDITIONAL INFORMATION

RISKS ASSOCIATED WITH LEVERAGED AND/ OR INVERSE EXCHANGE TRADED FUNDS

Most leveraged Exchange Traded Funds (ETFs) seek to provide a multiple of the investment returns of a given index or benchmark on a daily basis. Due to the effects of compounding and possible correlation errors, leveraged ETFs may experience greater losses than one would ordinarily expect. Compounding can also cause a widening differential between the performances of an ETF and its underlying index or benchmark, so that returns over periods longer than one day can differ in amount and direction from the target return of the same period. Consequently, these ETFs may experience losses even in situations where the underlying index or benchmark has performed as hoped. Some specialized exchange-traded funds can be subject to additional market risks. Investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. In a volatile market, compounding can result in leveraged longer-term returns that are less than two times the return of the unleveraged investment.

INVESTMENT RISK

All investment strategies involve risk. There is no assurance that a positive return will be obtained in any managed investment account program. Neither WEG Investment Advisor Representatives nor portfolio managers guarantee the performance of the account, or promise any specific level of performance, or promise that investment decisions, strategies or overall management of the account will be successful. Any investment decisions portfolio managers may make are subject to various market, currency, economic, political, interest rate and business risks, will not necessarily be profitable, and are subject to investment risk, including possible loss of principal.

END OF DOCUMENT